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19 March 1986

Near East/South Asia Report

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NEAR EAST/SOUTH ASIA REPORT

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ALGERIA

PAPER VIEWS HOUSING SHORTAGE, SECOND 5-YEAR PLAN

Mobilizing Private Savings

Algiers EL MOUDJAHID in French 4 Feb 86 p 3

[Text] The Second Five-Year Plan 1985-1989 anticipates the creation of 542,000 housing units, requiring loans on the order of 76 billion dinars. Plan projections for the 10 years from 1990 to 1999 provide for the creation of 2,100,000 urban and 380,000 rural housing units.

The current housing demand must take into account the overcrowding of existing accommodations (the rate of occupancy is estimated at 8-10 persons), the precarious living conditions and deterioration of some of the obsolescent building stock. The situation is further aggravated by the sustained rise in population growth; the population figures will actually rise from 21.5 million in 1984 to 25.4 million at the end of the second five-year plan period and to around 36 million by 2000.

According to a report by the APN [National People's Assembly] economics committee, the housing deficit is so great that even a sustained growth of 200,000-250,000 units per annum would not end the crisis for the next 10 years. The present rate of construction is insufficient for a number of factual reasons, among which are the difficulties experienced in the supply of building materials.

Moreover, the special and significant government efforts in the housing field cannot be pursued for long without preempting public resources needed for other productive investments. That is why encouragement and aid has been offered to own home builders and new provisions adopted with regard to real property promotion.

The law relating to housing promotion, enacted a week ago by the National Popular Assembly, aims at making national savings a partner in the resolution of the housing crisis, albeit without ending government intervention, in particular with regard to the construction of low income housing. It is in fact a matter of permitting private domestic capital to participate in housing construction operations within a government planned and regulated framework. Enactment of the law was preceded by discussions in the specialized committees and a prolonged debate in an APN plenary meeting. The amended text, adopted

with the full agreement of the government, defines the general frame of housing promotion and sets out the regulations germane to various housing construction operations.

A Controlled Frame

The law will take effect upon promulgation by the president of the republic. It has 50 articles and, in particular, decrees that housing construction "is open to all natural and corporate bodies of Algerian nationality, capable of transactions, assuming contractual obligations and placing contracts." The law excludes all persons sentenced under the provisions of Articles 119, 220, 372 and 376 of the Penal Code. Moreover, corporate bodies subject to private law must be composed exclusively of Algerian citizens.

Housing construction operations must fit in with municipal planning and be designed to provide either multiple or semimultiple housing, specially in urban settings, so as to make for the optimum and most rational utilization of assessed sites. The text furthermore states the principle that, "for their own requirements, workers, institutions and public administrations, establishments, firms and public or private organizations may undertake housing construction operations in accordance with detailed rules to be subsequently defined."

Facing the Crisis

In order to aid and encourage the financial involvement of private individuals, applicants for a housing construction operation intended for sale only will benefit from financial cooperation in the form of medium term loans. These loans may not exceed 50 percent of the estimated costs of the operation. Exactly like a public organization, a subscriber to a housing construction operation may ask for the assignment (of a site--translator's note) on the basis of approved plans, consonant with the rules for construction prescribed by the services in charge of urban planning and resulting from the specifications. Within this framework, the law organizes the information and protection of the citizen so as to give him the necessary guarantees. The law obliges the applicant to, among others:

-- Give a guarantee against obvious construction defects and valid for 3 months from the date the buyer has taken possession of the premises.

-- Give a guarantee against hidden construction defects for 3 years from the date of handing over the structure, its destruction or the discovery of the defect.

-- Transfer to the buyer and for his benefit the warranties due by the architects, contractors and other parties involved.

Also among the special requirements is the obligation for the subscriber to sell the sale of the building or portion of buildings constructed no later than 6 months from completion.

It should also be noted that not everyone may be a subscriber, and that any candidate for proceeding to a housing construction operation must prove his capacity for such an undertaking or have at his disposal the services of cadres acknowledged to be competent.

The law finally provides for penalties to be imposed for some kinds of behavior, in particular in the case of negligence and fraudulent advertising.

Discussion of the New Law

Algiers EL MOUDJAHID in French 5 Feb 86 p 2

[Text] The law of 7 February 1981 has made it possible to assign real property held by the public sector and allocated for development before 1 January 1981. Upon taking effect, this law was designed in particular to allow some 300,000 families to acquire ownership of their homes.

At another level, this assignment was aimed at permitting the government to quit the management and maintenance of a very significant part of the housing stock, especially because these duties were onerous in view of the low rents paid the government in its capacity as landlord and the financial resources granted by the public treasury for the maintenance of this stock.

According to the APN's economics committee, the results of the application of this law were anticipated to be as follows:

-- By means of the transfer of property to applicants to mop up substantial amounts of hoarded money, thereby making it available for recycling in the economy.

-- Encourage the accountable occupants of the premises to reveal their tenancy statement before applying for ownership of the property.

-- Bring about the involvement of the occupants now interested in their capacity of owners to maintain and preserve the building stock. Almost 5 years after the law has taken effect, the results seem to be disappointing because, according to the Ministry of Urban Planning, Construction and Housing, no more than 250,000 files have been opened and 120,000 decisions to sell issued while the total of units assignable amounts to 450,000.

An analysis of the situation, offered in a speech by the Minister of Urban Planning, Construction and Housing to the deputies, ascribes the inadequacy of these results to:

-- The unwieldiness of the sales procedure which obliges applicants to make numerous approaches to various agencies: Regularization of tenancy situation, settlement of rents due, in many cases the establishment of title, the abundance of items for the files and the intervals between meetings of the various committees.

-- The imposition of certain restrictions on the ownership of the premises, which no longer responds to the social development of the Algerian family.

Consequently, the government submitted a draft law to the APN at the beginning of the last fall term, which is designed to modify and complete the provision of the law of 7 February 1981. The final text adopted by the deputies introduces measures aimed at easing and simplifying procedures as well as new provisions designed to encourage as many people as possible to purchase assignable property.

In future, therefore, all property made available for development after 31 December 1980 will be assignable by virtue of the new law; this much extends the field of application and abolishes the difference between old and new occupants.

Among the incentives introduced by these amendments to the law, the following are worth particular mention:

-- The final date for submission of applications has been deferred to 31 December 1987.

-- Non-transferability has been lifted for a period of 5 years.

-- The profit earned by the deduction of rents paid in the case of applications submitted before the final date fixed in the law. That arrangement is complemented by the transfer of rents to the spouse and minor children if the occupant should die.

-- The assignment of surplus surface areas either to family members of the buyer if several lots are involved, or to the occupier and for the total site.

It remains to underline the fact that the acquisition of ownership of the family home represents a right, not an obligation, for each citizen. It is therefore necessary to remember that the law guarantees the right of preservation and possession of their premises to those who have not acquired ownership of their homes.

Measures for Encouraging Low Cost Housing

On the occasion of his working visit to Oran Wilaya, Abderrahmane Belayat, minister of Urban Planning, Construction and Housing, announced a series of measures aimed at improving the living standards of the citizens and better management of housing consonant with the instructions of the political directorate.

To obtain the participation of Algerian architects and urban planners in the efforts to increase construction while keeping in mind the principles of Arab-Islamic civilization, the minister announced that a national architectural and urban planning competition has been launched by the president of the republic and endowed with several prizes. He indicated that it was the objective to

stimulate the creative spirit of young architects and urban planners for the betterment of the quality of construction, the style and the environment so as to conform to Muslim civilization, historical remains of which still survived in many regions of our country as well as in many other Mediterranean countries. In this inspirit, he invited all cadres to join in this national competition. The designs adopted will largely affect the restoration and renovation of the old districts of many county towns in the wilaya.

As regards housing, the minister noted that several decision had been taken, related to the amended law on "assignments of government real property," which was enacted by the National Popular Assembly. These amendments, Belayat indicated, were likely this year already to ease the way for citizens wishing to purchase their homes or professional offices. As for large buildings, amendments to the law have been proposed in conjunction with the advice offered by municipalities on the usefulness of the respective premises.

Belayat revealed that proposals have been submitted to the government for encouraging social housing for workers with low earnings and for the farm sector. He added: "It has also been suggested by means of the moneys held by the social services of enterprises to associate these services with the construction of homes for workers.

Talking of the improvement and renovation of new urban residential zones, Belayat announced that a land and planning agency would be set up from this year on in each county town of the wilaya. It will be responsible for managing these new urban residential zones. "These agencies," he revealed, will be equipped with all administrative, technical and legal structures to manage these zones so as to avoid the errors of the past."

Some new urban residential zones had been handed over before infrastructures or the sanitary networks had been completed.

11698
CSO: 4519/67

GANGS ARRESTED FOR FORGING PASSPORTS, COUNTERFEITING

London AL-SHARQ AL-AWSAT in Arabic 5 Feb 86 p 1

[Excerpts] An Iraqi official revealed that three gangs controlled by Egyptian and Sudanese workers in Iraq have been arrested. The first gang was involved in counterfeiting 100 dollar bills. Its headquarters is located in Isma'iliyah [Egypt] but it has a branch on the Iraqi-Turkish border. Members of this gang were arrested in Baghdad with the cooperation of Egyptian State Security. The second gang was arrested for forging passports and the third gang, whose members are still under investigation, is from the Sudan.

'Ali Hasan al-Majid, the director of Public Security, talked about the gang of four whose members were shown on Baghdad television 2 months ago as they disclosed blowing up the Ministry of Planning, the Iraqi News Agency, the radio and television building and buildings that belong to other organizations. Al-Majid said that these people were still in jail and that their death sentence had not yet been carried out. He invited those who claimed that these prisoners were subjected to torture to visit them in jail and stressed that none of them had been either tortured or humiliated when they were confronted with undeniable evidence which included a photo of them setting up booby trapped cars outside Iraq. Al-Majid said that one of the four asked if he could atone for his sins by blowing up a weapons depot in a neighboring country but Iraq refused in order to protect innocent lives. He said that the gang had been receiving its orders from London through special coded messages and by telephone. He displayed the silencers, hand grenades and explosives which were found carefully hidden in the last vehicle that came from abroad and which were discovered thanks to a masterful plan.

/6091
CSO: 4404/209

MINISTER PREDICTS MANDATORY STUDY OF ARABIC

Jerusalem THE JERUSALEM POST in English 31 Jan 86 p 3

[Text]

Education Minister Yitzhak Navon said Tuesday that the study of Arabic will eventually become mandatory in Israeli schools, but he refused to say how long it will take.

In a meeting with leading experts on Arabic studies, Navon was told that, although many students begin courses in spoken Arabic in elementary school, only 1,200-1,500 pupils are studying Arabic language and literature by their senior year of high school.

There is currently no national supervisor of Arabic studies, and only 20 teachers are enrolled in Arabic workshops this year.

Navon promised to allocate the equivalent of several hundred thousand dollars from next year's budget for curriculum development and additional local supervisors. "It makes no sense that we, who are surrounded by 200 million Arabs, should raise a younger generation that cannot communicate with its neighbours," he said.

The Knesset Education Committee recently recommended that Arabic become mandatory, but senior Education Ministry officials say there are many obstacles to that, chief among them the problem of Arab-Jewish relations.

/13104
CSO: 4400/107

PAPER ASSESSES CURRENT STATUS OF 'LAVI' FIGHTER JET

Jerusalem THE JERUSALEM POST in English 31 Jan 86 p 7

[Article by Hirsh Goodman]

[Text] FOR MANY in the defence establishment the Lavi, once the swan of the air force, has become an ugly duckling. In recent weeks, opposition – especially among senior officers – has increased in intensity.

Though the establishment remains overtly committed to the project, serious doubts are beginning to creep in as to whether Israel will be able to sustain the development and production of the fighter, estimated to cost anywhere between $6 billion-$10 billion over the next 15 years.

While until now the American administration has picked up the entire annual Israeli development tab of $250 million, and another $150 million are being spent with companies attached to the project in the U.S., there are those who fear that American policy could change, leaving Israel with an incomplete white elephant and not enough aid money to purchase a last-minute alternative.

Two things have happened to nurture the current opposition: One is a change in the wording of the American law that will allow the $250m. a year originally specified to be spent *only* on the development of the Lavi in Israel to be used for "the Lavi and other purposes" from fiscal 1986 onwards;

The other is the realization of senior military officers, when they sat down to reassess the IDF's long range plans in light of recent cuts in the defence budget, that the air force Israel is going to have in 1995, about when the Lavi will be operational, will simply not be big enough to afford the 300 Lavis originally planned.

THE FREEING of part of the Lavi money to be used as Israel sees fit was a heaven-sent bounty for Rav Aluf Moshe Levy's general staff, who are currently being called upon to make some of the most serious decisions ever faced by this country's military establishment. Until now the word of the general staff on what the country needed to defend itself was considered sacrosanct by politicians, who traditionally rubber-stamped the military's demands. The change, dictated by Israel's economic realities, began to make itself felt four years ago, when the first significant defence budget cuts were made, and reached a peak this year, when the army was forced to cut back its stockpiles and training.

ONE HAS ONLY to read the newspapers to understand that the general staff is worried at every level. Good manpower cannot be kept in uniform. Reservists do not get enough training in view of the limitations on the use of ammunition and vehicles. Orders to the military industries are down.

The list of cumulative cutbacks is endless, and most of them will not be known by the general public. We will only see the overt manifestations, such as the firing of hundreds of scientists from Rafael, the weapons' development authority, and other defence-related industries.

The "age of pauperism" that has come to the IDF, as one senior officer put it last week, was the result of a cycle. When the defence budget was first cut (by Ezer Weizman in the late 1970s), stockpiles and building projects were reduced. When there was nothing left to save here, train-

ing was curtailed. When this reached a point where the quality of the IDF was being called into question, research and development projects were frozen or cancelled.

What this means is that the IDF has had to re-think its strategy for dealing with potential worst-case scenarios in the coming decade – a decade during which the Iraq-Iran war is bound to end and the confrontation states will be receiving unprecedented quantities of sophisticated weapons.

IN CONFORMITY with this new strategy, the Lavi takes on different proportions. Based on the assumed production of 300 Lavis for the Israel airforce, the projected cost per aircraft was around $22m. But if the air force in 1995 will be only able to purchase 150 Lavis, the unit cost will almost double, to around $40m. per aircraft. At that price there are other planes the air force would prefer. An added attraction of these other planes is that they could be purchased with American aid money in the U.S., and the $250m. earmarked to be spent on the Lavi in Israel, could be spent on other, more essential things.

An American fighter such as the F-16 C, army officers claim, could be purchased for around $10m. (though other experts agree with Moshe Arens that this figure is optimistically unrealistic), and it could be upgraded to comply with air force demands at a very low cost by adding Israeli-made components.

These components, the Lavi's detractors say, could be paid for out of the American aid money that will now be usable for "other purposes" than the Lavi, thus providing alternative employment for those segments of Israeli industry that would be adversely affected by the closure of the Lavi project.

The air force would thus have an affordable plane with money left over to purchase America's planned new fighter, the ATF, when it comes on the market in the mid-1990s. Industry here would have work, and the qualitative gap between Israel and the confrontation states would be closed. Almost the ideal solution.

BECAUSE OF the change in the military's attitude, the Lavi has lost its principal backers, though the relations with America. The minister could, however, find himself under increased pressure from the military to reconsider – especially since the Americans no longer object to the Lavi money being used for other military purposes.

"THEY GAVE US the money not because they wanted us to build an aircraft, but because we convinced politicians, who see the issue in a different context, remain committed to the project.

Ironically, the commander of the air force, Aluf Amos Lapidot, was the first manager of the Lavi project. Under him, the plane underwent a metamorphosis from a low-grade $6m. "work-horse" designed to replace Israel's aging inventory of Skyhawks and Phantoms, to a hypersophisticated aircraft that could now cost anywhere up to $40m.

Equally ironically, Defence Minister Yitzhak Rabin, who was one of two members of the Knesset's Foreign Affairs and Defence Committee who voted against the development of the Lavi when it was originally discussed some five years ago, has become one of the aircraft's staunchest supporters.

Rabin's frame of reference, like that of Prof. Moshe Arens, differs from that of the generals. He sees the issue in terms of the impact of the cancellation of the Lavi project on Israeli industry and this country's them that we needed to," a senior officer said earlier this week. "Their purpose is that Israel should be able to do what it considers necessary for its defence, not build a plane at crippling cost to our overall defence capabilites. Because of this, there will be no American opposition if we scrub the project. In fact, they'll understand, because they appreciate economic logic, and they do this kind of thing all the time. They may even respect us for it."

The battle for the Lavi is far from over.

As far as the Defence Ministry and Israel Aircraft Industries are concerned, with $1 billion already having been spent on development the point of no return has been reached. Prototype No. 1 will take to the air in September, and Rabin last month gave his approval for the initiation of the production schedule for between 24 and 30 of the planes a year at a

cost of $550m.

The men in uniform who want the Lavi shot down are not convinced that the battle has been lost. One thing is certain: they don't intend to give up the fight.

/13104
CSO: 4400/107

MA'ARIV ON DIFFERENCE BETWEEN AUTONOMY, DEVOLUTION

TA111000 Tel Aviv MA'ARIV in Hebrew 11 Feb 86 p 3

[Commentary by Refa'el Mann: "Do Not Say 'Autonomy'; From Now on Say: 'Devolution'?"]

[Text] While the chance of starting negotiations with Jordan is becoming less and less likely, Shim'on Peres has already announced the next stage of his initiatives: greater incorporation of the Arabs of the territories into the management of their own affairs. Peres is proposing that we be cautious about the term "unilateral autonomy," which, he says, puts "too great a burden" on the Arabs, and he is looking for a substitute in the form of a "devolution of authority."

The difference between autonomy, even unilateral autonomy, and devolution is not just linguistic: Autonomy is a comprehensive and defined status for all the inhabitants of the territories, while "devolution" can be implemented in bits, in limited areas, as those granting and imposing it see fit.

The most outstanding difference involves the matter of security. Ever since Moshe Dayan came up with the idea of "unilateral autonomy," there has been talk of withdrawing the IDF from the Arab towns. In the Peres version of "devolution," there is no question of changes to the IDF deployment, but of dealing with the civil issues. The focus is on health, education, and so on.

Under "devolution," nobody representing the local inhabitants in the normal sense of the word is to be founded, because nobody is talking of elections, not even municipal ones. As has occurred in Nabulus, the local mayors will be given posts through appointments from on high, and the same applies to Arab headquarters officers serving the Civilian Administration who will deal with the various community fields. The "devolution" may be implemented on an almost personal basis, naturally with the agreement of the prominent people in each town and area.

The implementation of the "devolution" idea would put the willingness of the inhabitants to cooperate with the Israeli authorities to the test. In the past they rejected Israel's version of autonomy, on the claim that Israel kindly grants them the opportunity to deal with drainage, but keeps decisive control over land and water to itself. It is not yet clear whether they will accept the initiative this time, and furthermore, what political significance can be attached to this.

/9365
CSO: 4400/116

$250 MILLION ALLOCATED TO PROMOTE SETTLING IN TERRITORIES

TA141002 Tel Aviv HA'ARETZ in Hebrew 14 Feb 86 p 1

[Report by Nehemya Strassler]

[Text] The Government Publications Office is currently preparing a widescale promotional campaign aimed at encouraging people to move to the settlements in the West Bank and Gaza District. This project, which will apparently cost approximately $250 million, will mainly involve television commercials and to a certain extent radio and press advertisements. The decision to launch this campaign was made recently by the Treasury and the Labor and Social Welfare Ministry. Minister Qatzav is ex officio responsible for the Development Towns Advisory Bureau, hence his involvement in the matter.

As part of this campaign, the Judaea and Samaria local council will receive tens of thousands of dollars to organize tours for potential apartment buyers. The initiative comes against the background of the halt in demand for housing in Judaea and Samaria. In Ari'el, for example, there are presently approximately 1,100 housing units in various stages of construction--more than in all the development towns in the north. The propaganda campaign is aimed at populating these apartments.

The finance minister's office has denied that any deliberations have been held or decisions reached on the matter.

Economics and Planning Minister Gad Ya'aqobi said in reaction that he would slash the aid currently extended to Judaea, Samaria, and the Gaza District by half. At the moment, approximately $140 million are allocated to thse areas, including the investment in infrastructure, development grants for industry and housing, and subsidies for mortgages. This sum does not, however, include the budget for the Jordan Rift Valley and the Jerusalem area.

According to Ya'aqobi, during times of budget cuts which the treasury claims are so vitally important, it is necessary to save half that sum--namely $70 million--which should be channeled to expanding exports and providing employment in development towns.

/9365
CSO: 4400/116

NATION REACTS TO CANADIAN REPORTS OF ESPIONAGE

TA231415 Tel Aviv YEDI'OT AHARONOT in Hebrew 23 Feb 86 p 2

[Report from Canada by Yoram Hamizrahi]

[Text] The Canadian Security and Intelligence Services and Canadian intelligence sources are claiming that the Israeli Consulate in Toronto serves as a base for intelligence and subversive activity, and as a center for using the large Jewish community in the city for the State of Israel's needs.

This grave accusation was included in remarks made by Jerry Cummings, the security and intelligence services spokesman, to the highly influential Canadian paper THE GLOBE AND MAIL. The Canadian spokesman said that a considerable number of consulates of East Bloc and other countries, as well as many trade bureaus, are nothing more than bases for intelligence activity.

Canadian intelligence sources have said that besides East Bloc representatives, the Israeli, Indian, South Korean, and Philippines Consulates also conduct intelligence and subversive activities.

The inclusion of Israel in the list of East Bloc and Third World countries immediately caused a storm among Israel's friends and the Jewish community in general. Avi Gil, the Israeli Embassy spokesman in Ottawa, described the story "an utterly ridiculous scenario based on anonymous sources."

The YEDI'OT AHARONOT correspondent has learned that the Israeli Embassy in Ottawa requested urgent clarifications from the Ministry of External Affairs. It has also been learned that the embassy's position is that if the report originated from sources in an official government ministry, Israel will be obliged to submit a strong protest and to act through diplomatic channels in order to obtain a full explanation of this serious accusation.

Another possibility also being considered is to demand that the Canadian authorities express their reservations about the announcement by the security and intelligence services spokesman, if the Ottawa government announces that it was not government sources who reported the matter to the Canadian newspaper.

Canada has for a long time been dealing with the question of correctly handling the phenomenon of subversion and hostile intelligence activity. In most cases, this involves activities by the Indians, who are interested in upsetting the stability within the large Sikh community in Canada, or similar activities undertaken by East Bloc representations among emigres.

Only a week ago, on 16 February, the editor of a local Romanian newspaper was murdered in Toronto after, a month beforehand, some unknown person opened fire at the Romanian Consulate building in Montreal.

/9365
CSO: 4400/116

MODA'I ON REMARKS ON ECONOMIC GROWTH

TA132112 Jerusalem Television Service in Hebrew 1500 GMT 13 Feb 86

[Interview with Finance Minister Yitzhaq Moda'i by Gid'on Reicher--live in studio; date not given]

[Text] [Reicher] Ladies and gentlemen, today we heard that Economics and Planning Minister Gad Ya'aqobi has not only submitted an economic plan of his own, dealing with growth, but Prime Minister Shim'on Peres also said today that time has actually come for growth to begin. We are asking the finance minister--good day, sir--whether these remarks by Gad Ya'aqobi are not in fact criticism of your economic policy?

[Moda'i] We should be so lucky. Minister Ya'aqobi and the prime minister have finally discovered that we need growth. All they need to do is tear up the economic plan that was submitted along with the 1985-1986 budget. The question is, to grow on the basis of what? Printing money? And stimulate growth in what? Failed factories? This is the main question. Not when.

[Reicher] Is there no need for growth at all? We need to grow.

[Moda'i] We need to grow, and that is an organic part of the plan. We have already implemented the first condition for growth, which is stability; without it, words do not help. Headlines do not help. Speeches do not help.

[Reicher] Perhaps the speeches and headlines you are mentioning are actually meant as a hint to you: Look, Moda'i, you have begun to succeed; soon there will be a rotation and the fruits of this success will actually be seen after Shamir takes office. Perhaps this is not worthwhile; perhaps we should disband the unity government. Is that not the idea?

[Moda'i] I am the finance minister, not the rotation minister. I know, just as I knew how to curb inflation and curb the deterioration in the level of foreign currency reserves, how growth is created: the timing, place, and scope. But it is impossible to increase the state budget every week--in certain ministries--and speak of a surplus for growth. I heard: This is a bottomless pit. The price of oil has dropped. To whom have they not already sold these savings in fuel?

[Reicher] Do you finally agree....

[Moda'i, interrupting] Yes, we have already decided, we have already said, that after the Egyptians reduced fuel prices it turned out that this process has also reached our area, and not just in cables.

[Reicher] And what percentage....

[Moda'i, interrupting] I will tell you that in the next appearance, after the increase, not before it, or after the reduction.

[Reicher] And fuel prices will not go up at midnight...

[Moda'i, interrupting] Whoever wants to remain without fuel, let him not fill up.

[Reicher] Nevertheless Minister Ya'aqobi has submitted a formulated plan. It seems to me that you said--if I can quote the HA'ARETZ correspondent, to put things precisely--that this is a collection of old ideas.

[Moda'i] Yes, yes, that is true. Perhaps there is something new. If we said we must ease income tax or, let us say, increase the open credit in the capital market by $300 million, he said by $500 million. We said we must ease direct income tax which, by the way, we have already begun to do by decreasing the tax brackets by 5 percent; he says by 10 percent. The difference between the plans is that the figures in our plan have been determined through models, and we know where to take cuts to meet other needs.

[Reicher] So how do you explain that....

[Moda'i, interrupting] You have already explained.

[Reicher] You agreed with....

[Moda'i, interrupting] I said that I am not the rotation minister. I said that nobody is in love with cuts. All of a sudden cuts have become banned. They fell in love with cuts, it is true, the prime minister did not say the word. [sentence as heard] I am happy and proud of the fact that we have succeeded in cutting together. You are now denying that need.

[Reicher] When you say they, you mean the prime minister?

[Moda'i] Whoever said that.

[TA132121] [Reicher] But some people say that the price of success, and this is undoubtedly zero inflation, is perhaps too high. People are beginning, how can I put it--we are beginning to hear howls from those who are bearing the burden, the slump, the erosion, and the dismissals.

[Moda'i] That claim could have been made... [changes thought] I think the price really is high, but all those who took part in the economic plan knew this price and agreed to it, including the prime minister and the Alignment ministers. We do not need to wait for formal announcements from the prime minister that the time has come for growth. After all, we began this process. How did we all of a sudden and out of the blue increase the budget for agriculture? I am not exactly sure that this increase represents growth in agriculture and is not an aftereffect. [not further explained] You have undoubtedly noticed that I am speaking with a certain amount of anger, because since yesterday I have been hearing about the new discovery, the one arousing so much noise. We must begin to grow. So what do those who made this discovery think?

That the intention was to cool down the economy to the point of a freeze? Of course we must begin to grow. But cautiously. You must go slowly.

[Reicher] You say slowly. In terms of time, is this weeks, months, years?

[Moda'i] Given the fact of the rotation, we should have begun this growth a year ago, instead of implementing the austerity plan.

[Reicher] And what is the other side of the coin?

[Moda'i] The other side of the coin is that growth has already begun. If resources become available and are not eaten up through the votes of Cabinet ministers, we will have more resources for growth. It is impossible to meet unbudgeted expenses with a pathetic speech about growth.

[Reicher] Perhaps we can take advantage of your being with us to ask you about the bank shares included in the arrangement [made by the government following the stock exchange crash in October 1983], about which there are all sorts of rumors. You are the most authoritative source. Do you have any plans to alter the terms spoken of at the time?

[Moda'i] No, we do not have any plans. This is the government's commitment, just like the government's and the Bank of Israel's commitment to government bonds we sell every day. We have already begun keeping our commitment; $700 million in bank shares owned by the elderly were paid or reinvested last October, in 1 month. I admit that this is a heavy burden, but the entire national debt is a very heavy burden. If we are allowed to do basic work, without babbling, we will succeed, with precise planning and obstinate implementation, and despite all the partisan political considerations, in keeping with the government's commitments. We will succeed in allocating resources for growth. We will consolidate Israel's economy, and if anyone does not want to help, let him at least not interfere.

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CSO: 4400/116

COMMENTARY VIEWS CHANGE IN ECONOMIC POLICY

TA250952 Jerusalem THE JERUSALEM POST in English 25 Feb 86 p 8

[Commentary by Pinhas Landau: "Trapped in an Outdated Belief"]

[Text] Thou art a rare noodle, Master. Do what was done last time is thy rule, eh?

Bernard Shaw's "Saint Joan"

The public has a right to feel confused. Suddenly, almost without warning, the economic buzzwords are growth, investment, and the prevention of unemployment, while just a few weeks ago the only song to be heard was the dirge of retrenchment, with its chorus of stagnation and unemployment.

The change has indeed been bewilderingly quick, but cool heads cannot be sent spinning by a fusillade of speeches from politicians. How is it that the other day, as it seems, the elimination of inflation was the supreme aim and its attendant costs in social and economic disruption had to be borne, but today we must have growth--whatever that term means--even at the price of busting the budget and increasing inflation?

The pat answer, given by the politicians and their henchmen, is that inflation has been killed (the January CPI of minus 1.3 percent "proved" this), and the fall in the price of oil and other fortunate external events have opened the way for a change in policy direction. This is summed up in the phrase: "The braking stage is over, and now we can begin to move ahead again." The debate centers, therefore, on how hard to press down on the accelerator.

The professional economists and the business community, have apparently been caught off guard by this sudden development, which they see as primarily political in inspiration. Their initial reactions were therefore muted, and even off the record they expressed more amusement than horror at the politicians' prattle. But only at first.

They are rapidly coming to realize that the commotion is neither PR nor political posturing, but is meant in deadly earnest. The indulgent smiles at "the politicians' pranks" are giving way to shock and consternation. The feeling is beginning to gain ground that the politicians, either out of innocent

naivete or crude self-interest, are going to eradicate all the progress chalked up since July 1985.

Even in the most charitable formulation--namely, that the new policy approach is based on the genuine belief that the emergency program has done its work and can now be dispensed with--the new "growth" strategies must be regarded as dangerous nonsense. Some of the problems have indeed been alleviated, but others are as bad or worse than they ever were. In no case is there room for the idea that "a little more inflation is a small price to pay for getting the economy moving again."

To illustrate the point more graphically, it is worth quoting a very senior and knowledgeable economist who told this reporter last week that "I told my wife to go and buy a new fridge, a dishwasher, and anything else she wanted, as quickly as possible. We're going back to triple digit inflation for the rest of the year and maybe well beyond."

To him and his ilk, the idea of "a little more inflation" is patently laughable. There is no such creature. Those who want a little will get a lot, because once the spiral is put into operation the process works by itself. Why? Because the emergency measures were not followed up with moves to break the linkage systems that have dominated--many would say destroyed--the economy over the last 10-20 years.

[TA250957] By extension, the idea of "growth," at least as it is being tossed around by the country's elected leaders, is equally risible. Whatever school of economics one follows, there is no way that a stagnant economy can be switched on at the stroke of a pen. To both socialist/planned economy believers and free-market/laissez faire fans, the threshold question is: Where is the money going to come from? Afterwards, they can argue what to do with it, or on what basis to allocate it. But that debate is premature in the present context. No one can see any large pool of resources coming free, barring the two possibilities of printing money directly or taking it from the Americans.

Either way, the result will be the same, because the first--and perhaps only--aim of all the "growth" talk is to bail out the major sectors of the economy that are now collapsing--agriculture, construction, health services, and so on down the dreary list. The end-product of this "growth" process will be a renewal of the inflation we hoped to have left behind.

The worst fears of the pessimists, however, of a return to hyperinflation of hundreds of percent per annum, are unlikely to be fulfilled. The constraints on the economy are too great. Put another way, that means that before inflation can get out of hand, the other and more fundamental weak link in the Israeli economic structure--the balance of payments--will snap. As to how that will happen, there is no mystery. We, the public, will do it by ourselves, with some help from overseas if necessary.

The large measure of public confidence, whose gradual rebuilding has underpinned the recent stability, would evaporate very quickly if and when the public became convinced that inflation was about to reemerge. As a result of the monetary policies of the Bank of Israel since last July, there exists an enormous pool of ready cash in shekel accounts. This "hot" money will pour into foreign currency, either of the black market or imported-consumer-goods variety, as soon as the equation loose money-inflation-devaluation gains currency. This run will rapidly deplete the foreign currency reserves and, coming on top of the renewal of inflation, will wipe out the government's hard-won credibility among international bankers. In short, we would be back where we were in the summer of 1984 and the spring of 1985.

This scenario, if it develops, will be brief--if only because the players, having been through it before, know their parts and will perform their roles with practiced smoothness. Faced with a balance of payments/foreign reserves crisis, the government will once again slam on the brakes, and back we will go for another round of recession.

Perhaps the most interesting aspect of all this is that it does not matter much who will be in power at that time. It might be the current government, or an elected successor or a minority caretaker. It's all the same, because there are so few policy options to choose among in those crisis situations.

This demonstrates a point often overlooked by many people, and always deliberately blurred by the politicians themselves. The government calls very few of the shots in setting economic policy. Underneath the bombast and hot air are George Shultz, his American experts, the international financial markets, and the Israeli public. Between them, these forces determine the direction of policy and, usually, its timing as well.

[TA250952] But even they are not all-powerful. Does Shultz or his hevra [gang], or the "world financial community"--let alone the harassed Israeli public--have any real control over the forces shaping the world economy?" Did they, for instance, plan or predict--or even want--the collapse in oil prices at this time or with this intensity? To be blunt: The Americans cannot manage their own budget, so how can they manage ours? They cannot afford their own welfare programs, so why, how, and with what will they pay for ours?

While the Israeli politicians continue to pretend that they are running the economy and that, as in the 1960's, they can generate a recession at will and then replace it with growth when they so desire, the world has changed. Individual governments are admitting that, by themselves, they control nothing, and that even in concert they carry little weight. The fundamental forces in the world economy, the inflation of the 1970's, sweep everyone along with them--Russia, Europe, America, and all the rest. And even these forces have deeper roots, for how else could they erupt across the globe almost simultaneously?

The process of disinflation has barely begun in Israel. Its effects on the structure of the economy, along with the more permanent changes that new technologies are bringing, will be massive--far greater than our timid government has yet dared think about. The armies of clerks engaged in keeping accounts updated throughout a hyperinflationary economy--to take just one example--will be made redundant with attendant unemployment, wholesale changes in the relative size of industries, changes in the structure of the union movement, and how it perceives its role, and so on and so forth. There is nothing prophetic about all this; it is a process undergone by many other countries. It merely says that we will inevitably go with the world trend, and that if we resist we will be borne along by it later, more unwillingly, and in a generally worse position.

But our politicians are trapped in their outdated beliefs that they can determine the direction of the economy and that they have but to pronounce the command "let there be growth" and it will happen. Most of them never recovered from the events of the 1960's, or from what they were told or led to believe was the sequence of events then. What was done then, and the supposed consequences thereof, form the ground-rules for their attitudes and actions today.

They cling to the idea that elections can only be won by a party that "primes the pump" and showers goodies on the masses. Recessions and recoveries are macroeconomic games to them, played by pulling switches that they believe will make the entire economy dance to their tune. All the rules are fixed and therefore well known. The idea that anything might be different, let alone that there is a whole new ballgame going on, is unacceptable and alien to them.

"Do what was done last time" is the sole principle governing their approach to political economics. This leads to the display of ignorance-cum-stupidity, now highlighted in the "growth" debate and its potentially disastrous outcome. Each minister on his own may be described as a rare noodle. Together, they could succeed in turning the economy into lokshen kugel [noodle pudding].

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POLL SHOWS STRONGER ALIGNMENT, STABLE LIKUD

TA281426 Tel Aviv MA'ARIV in Hebrew 28 Feb 86 p 2

[Text] The strength of the Alignment has slightly increased, the Likud has remained stable, and public support for Kahane has dropped appreciably. This emerges from a public opinion poll conducted for MA'ARIV by Modi'in Ezrahi Research Institute, under the direction of Dr Mikha'el Etgar.

The strengthening of the Alignment, noted from September 1985 onward, continued in February. The Likud is in fact maintaining its strength, and the National Religious Party (NRP), the Citizens Rights Movement (CRM), and MAPAM are showing a slight increase.

This is a striking drop in the strength of the KAKH party, which is now being given three seats compared with the seven it received in September 1985 and the five seats it received in November 1985.

The appearance of the new party, the Liberal Center, on the State of Israel's political map in February 1986 has not won a political reaction and this party is not receiving sufficient support to rise above the minimum quota.

An examination of the public's voting patterns shows that the Alignment voters show greater loyalty than those who vote for the Likud. Some 63 percent of the Likud voters intend to continue to vote for that party in the future, while approximately 5 percent of them will vote for the Tehiya, 16 percent for the Alignment, and 10 percent have not decided for whom to vote.

In contrast to this, some 87 percent of the Alignment voters intend to vote again for the same party and only about 5 percent of them have not decided for whom to vote.

The poll was conducted between 11 and 21 February and 1,150 people representing the adult Jewish population of Israel (not including residents of kibbutzim), Judaea and Samaria, and the Golan Heights were interviewed.

To the question: "If elections to the Knesset were to be held today, for which party would you vote?" (answers given in numbers of seats), the answers were as follows:

	February 1986	November 1985	September 1985	Number of Knesset members in the current Knesset
Alignment (Labor plus Yahad)	55	53	51	50
Likud	30	32	30	41
Liberal Center (the Liberal Center did not exist prior to February 1986)	--	--	--	--
NRP	4	3	3	4
Morasha	1	1	1 minus	2
Agudat Yisra'el	2	2	2	2
SHAS	4	3	3	4
Ometz	--	--	--	1
TAMI	--	--	--	1
MAPAM	2	1 plus	1 plus	6
Tehiya	7	8	8	5
CRM	5	4	7	4
Shinuy	1	2	1 plus	3
Hadash/Progressive List for Peace	6	6	6	6
KAKH/Kahane	3	5	7	1
	120	120	120	120

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DAVAR REPORTS ON JERUSALEM DOMESTIC ARABIC RADIO

TA281150 Tel Aviv DAVAR in Hebrew 28 Feb 86 p 20

[Special report by Ya'el Admoni: "Strong Radio, Jerusalem Domestic Service in Arabic"]

[Text] "Zionist propaganda mouthpiece"; "a bridge to the Arab world"; "the voice of lightning from Jerusalem"; "a credible, effective media tool"; "high listening rate"; "no one listens to it"; "there is feedback." These are merely a few of the conflicting reactions to the Voice of Israel's Arabic-language broadcast. The network broadcasts 18 hours a day to the Arabs of Israel, the Arabs in the territories, and the Arab countries.

According to Edmond Sehiyek, the station's director, the chief target audience is the inhabitants of the Arab countries, and it is necessary to use a strong transmitter to reach them. The message that is aired, says Sehayek, is Israel's message: A desire for peace. Coexistence in one region. There is no other choice. We must live together. One senior Arab employee in the station says: I broadcast with the feeling that while this may not be paradise, let us at least not turn it into hell.

Jerusalem Domestic Service in Arabic broadcasts 16 newscasts a day, two 1-hour-long newsreels, and one domestic affairs program for the Arabs of Israel and the territories. On Friday, a weekly newsreel is broadcast. Sehayek says that the news department broadcasts objective information devoid of any foreign considerations apart from purely journalistic onas. However, he notes, we are embroiled in a conflict of interests: "On the one hand we serve the Arabs of Israel, who are by no means any different from the Jewish residents of this country in terms of their knowledge of Hebrew and in that they listen to the Hebrew-language broadcasts and show interest in whatever happens in the country. On the other hand, we also serve the Arab world which obtains most of its information from Arabic radio stations. A domestic strike in Israel is of absolutely no interest at all to the listener in Kuwait, but it certainly does interest the listener in the Galilee or in Nabulus. In the case of a strike, for instance, we will report it, but the reportage will be controlled and quantitatively limited. As for instances of arguments among ministers, here, too, there is a conflict. While the Israeli Arab will want to know precisely what words Moda'i used to attack Gur, the inhabitants of the Arab countries, living under totalitarian regimes, might get the wrong

idea of what is happening in this country as a result of such a report. We therefore report on the incident, but do not go into detail. When [former chief of staff] Rafa'el Eytan used the phrase 'intoxicated cockroaches caged in a bottle' [in reference to Arabs in a densely Jewish West Bank], we broadcast his remarks because we knew that all the Arab press editorials would refer to it the next day."

Alongside the news department, a political information department also functions, and its job is to explain Israel's official line. In this department, talkshows with an audience are held, with careful adherence to consensus. Thus, for example, Israel is not talking to the PLO which is, as everyone knows, a terrorist organization. The radio's Arabic-language information department, all of whose workers are Israeli, monitors anti-Israeli commentaries broadcast in Arab countries through the services of its listening unit, and reacts almost instantly. In many cases, this reaction includes excerpts from the Arab countries' broadcasts and an analysis of these statements along the lines of the Israeli Government's policy. One of the primary features of the information department is the program called "From the Mailbox," in which a commentator responds to listeners' letters. The answers to the questions are provided in coordination with "the agreed-upon elements." Some of the questions come from listeners in Israel and the territories, and others from Arab countries, reaching the station through a Geneva post office box. Saheyek talked about dozens of letters that reach the station daily and which he claims attest to the high listening rate it enjoys.

Both the station director and his employees often talk about the need for high credibility, resulting from the fierce competition with 52 stations in the area, all of which broadcast in Arabic. "In our reporting we beat the Arab stations in credibility and expeditiousness. We are subjected to no censorship, apart from the military censorship, which applies to all the media in Israel. No party functionary sits over our head. We maintain routine contact with the Civilian Administration, with the Defense Ministry, with the IDF, and with the Foreign Ministry. Not because we receive orders from them, but because they furnish us with information. That information is important for us for broadcasting updated, correct material," Sehayek says. "We know that Al-Asad listens to us. We know, furthermore, that not only does he listen to us, but he also takes what he hears into the framework of his considerations. If we broadcast irresponsibly, a crisis may erupt. In this respect, we are encumbered by a responsibility heavier than the one that rests on the shoulders of the Hebrew-language broadcaster."

[TA281230] Sehayek believes that the station's credibility in normal times contributes greatly to listening during times of war. He says about the latter: "When human lives are at stake, there is no more supreme consideration. During war one stops playing with credibility and all the means are legitimate. During war, the station is a fighting station whose sole interest is Israel's safety." Sehayek believes that the greater the security tension, the higher the listening rate, irrespective of whether the content of the broadcasts during such times sounds like programmatic, one-sided, propaganda. "More people listen during tnese periods, because the listeners want to know what is happening around them: Is there a curfew, where was a handgrenade thrown," Sehayek says.

The picture that emerges from the words of the station employees and its directors does not harmonize with the assessment of various people I had asked to comment on the broadcasts. One of them, an Arab journalist and writer, said amusedly that the difference between the Voice of Israel's Hebrew broadcasts and its Arabic programs is like the difference between the Royal Shakespeare Company and a local community theater. Salman Maslaha, who is writing his PhD in Islamic studies, says: "The aim behind the Arabic-language broadcasts is declared propaganda. One cannot compare the state-operated Hebrew broadcasts to the political intervention that can be noticed in the Arabic programs. If the communists are ostracized in the Hebrew broadcasts, the Arabic radio makes this much more pronounced. One can discern slightly greater openness in the news compared to a few years ago, but I only listen to the Hebrew news. The urban intelligentsia of the Israeli Arab population never listens to the [Arabic] news, and certainly not to the programs. In the villages, it is mostly the more elderly inhabitants who listen to the broadcasts, and then, too, they mainly listen to music, the news, [as published] and the sports broadcasts."

Knesset member [MK] 'Abd al-Wahab Darawshah says that up until a few years ago the Arabic radio broadcast propaganda was not geared for the Israeli Arabs. "Today the station broadcasts more for the local population, and the Israeli Arabs listen to it more than to any other Middle East station. The news is credible, and there is liberalization." At the same time, Darawshah adds, it is necessary to abolish the propaganda program for the inhabitants of southern Lebanon, and in general "there are some programs that insult common sense."

MK Muhammad Watad says that the political commentary is very often one-dimensional, blunt in style, and crude in phrasing. But, he claims, this is largely overshadowed by the very many advantages of the newsreels, which are "multifaceted and an expression of all the various hues of Israeli political spectrum."

Palestinian journalist Ziyad Abu Ziyad believes that the Arabic radio programs are listened to in the territories both because most of the population cannot follow the Hebrew programs due to language difficulties, and because it is important for the people to know what is happening, if only for the weather forecast. "Recently the station has toned down the propaganda it airs, which offends the Palestinian population, and is making less use of such words as 'terrorists,' for instance. It has become more factual in terms of its reportage, but anyone who thinks that everyone in the territories always listens to the stations is far from correct."

Saiman Maslaha believes that any self-respecting Arab will never go and work for the station, because it serves as an Israeli propaganda machine. Emil Khaz'al, who edits the radio's newsreels, cannot ignore the identity dilemma he faces as an Arab employee of a Zionist radio station: "As a salaried employee, I accept the authority of my employer. I disassociate my private views from my work. If I had suspected for a minute that this radio is only a Zionist propaganda mouthpiece, I would not have worked here." Khaz'al talks

about the difficult times at the station, when the Arab workers were discriminated against in comparison with the Jews. "In the past our promotion was halted. When news editing and newsreel writers' courses opened, the condition for acceptance to them was that the candidate be a discharged soldier. At that time, Tommy [Yosef] Lapid was the director general of the Israel Broadcasting Authority. I went to him and told him that I was personally hurt by the advertisement. I asked him how he thought an Arabic radio could function without Arabs. I threatened to appeal to the High Court of Justice. One week later, Lapid struck off that condition." At the same time, there are no Arabs among the newscast editors, but Khaz'al says that a certain improvement has been marked in the status of the Arab workers, and thanks Sehayek for this. "We Arabs are sensitive, for better or for worse. Sehayek understands this sensitivity and has given us absolute backing."

Ibrahim Shahid, the correspondent for affairs in the territories, resides in East Jerusalem: "I, as a journalist, cover events without expressing my opinion on them. Although I broadcast in a state-run radio, I have not encountered the same kind of censorship problems that exist in the Arab world. When I first started working for the radio, I was afraid that I would be branded as traitor and collaborator. Today many inhabitants of the territories approach me and beseech me not to leave the radio. If I did not work there, perhaps someone else would, who might be worse."

[TA281235] Khaz'al and Shahid both mentioned small incidents involving Israeli administration officials who refused to hold meetings with Arab journalists. The same happened with senior officers in the territories and with ministers. However, their Israeli colleagues foiled many other such attempts. In terms of the listeners, they both say, this is naturally very important. They know we are everywhere and report about everything. "Many listeners in the territories find it hard to believe that we are really Arabs. Occasionally they ask me: 'How come you, as an Arab, accompany the chief of staff on a tour?'"

The presence of Arab reporters in the news department has resulted in a certain moderation in reporting. Khaz'al: "A few years ago, one listener complained that the word 'terrorists' was used 20 times in one single newscast. I am careful to call them 'PLO members' or 'members of the organizations.' When the directorate came to me with complaints, I explained that I am an Arab who lives in an Arab neighborhood and has a family and friends and do not want to be blacklisted. Over the past few years the practice has been to quote directly when a passage is cited. When hostile terrorist activity is reported on, we regard it as a terrorist act, but when we speak for ourselves we refer to the case factually and in accordance with the circumstances. We will not present the Husayn-'Arafat meeting as the meeting between Husayn and 'the leader of the terrorists.'"

Jerusalem Arabic's political correspondent, Aldad Pardo, believes that any radio station broadcasting in Arabic must adopt the mentality of the source country. Just as VOA in Arabic is a U.S. station, and the BBC's Arabic service is essentially British, thus Jerusalem Domestic Service in Arabic is

essentially British, thus Jerusalem Domestic Service in Arabic is an Israeli radio station. "The most exciting thing for me at work in the Arabic radio station is the cultural meeting place. Israel is the seam connecting cultures. This is precisely what I try to emphasize in the reports I prepare." Pardo says that the fact that the Voice of Israel in Arabic broadcasts from a free country gives it a tremendous advantage over other Arabic stations. "There is no room for comparison between our newsreels and those emanating from Amman. In Egypt the newsreels are beautiful, but Egypt is not a free country, and this is clearly felt."

Research has been carried out at Bi'r Zayt University on the Arabic-language radio, and it states, among other things, that this is a tool for psychological warfare, to which Pardo reacts thus: "They cannot face the fact that we broadcast the truth." Sehayek believes that the conclusions of the paper speak for themselves: "If they call upon the residents not to tune to us so as not to be affected by us, this proves that our broadcasts are valuable and have an audience."

Says Emil Khaz'al: "We provide the listener with a picture of the situation. We do not ignore problems. When I reported on the Peace Now demonstration opposite the KAKH rally in Binyeney Ha'Ooma [convention hall in Jerusalem, held a few weeks ago], I highlighted the fact that there were 5,000 Jews present, who took the trouble to come and demonstrate against Kahane. No Arab media tool could do that."

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PALESTINIAN PRESS SERVICE VIEWED

TA030845 Jerusalem THE JERUSALEM POST in English 3 Mar 86 p 5

[Article by Aaron Leibel: "Talking to Palestinians"]

[Text] The Palestine Press Service [PPS] is no ordinary news agency. Unlike its counterparts around the world, the PPS's main function is not disseminating news, but rather serving as "a meeting place for anyone wanting to talk to Palestinians," according to Ibrahim Qar'in, the agency's co-owner. In addition, it is an ardent advocate of Yasir 'Arafat's PLO Fatah faction, "the mainstream, the main moderate line of the Palestinian community," in the words of Radwan Abu 'Ayyash, managing editor of the news service's English bulletins and of its biweekly Arabic-language Al-'Awdah magazine.

The agency was founded by Raymonda al-Tawil, its current owner in tandem with Qar'in in 1977. At that time, it put out two daily bulletins: an English-language summary of the Palestinian press and a list of any security incidents occurring on the West Bank and in the Gaza District. Publication of the bulletins was stopped in 1983 by the Israeli Government, which accused the PPS of printing them without a license. (Qar'in claims he applied for a license after the ban, but his request was denied.) Despite the prohibition on printing bulletins, the agency continued supplying its subscribers--mostly foreign journalists stationed here--with information by telephone.

Six months earlier, the PPS had received permission to publish AL-'AWDAH in English and Arabic, but was forbidden to distribute it in the territories.

In 1984, the agency was accused of being funded by the PLO and threatened with closure.

Both Qar'in and Abu 'Ayyash vehemently denied the accusation. Foreign friends and Israeli journalists were drafted to help resist the move, Qar'in explained. "On the day of our court hearing," he said, "Israel Radio announced that (Prime Minister) Shim'on Peres opposed the closure. Nevertheless, we went to court and presented our evidence. Our lawyer told the court that we intended to appeal to the Supreme Court, but as yet we have received no word of any ruling on the case."

For an organization allegedly dedicated to promoting dialogue between Israelis and Palestinians, the PPS appears to have had an inordinately high number of problems with the authorities. Qar'in has an answer to this seeming inconsistency. "The Israeli Government wants either quislings or radicals. A quisling says, 'Yes sir.' A radical opposes any solution. We are neither."

Despite frequent brushes with the law, the PPS seems to be holding its own financially. It is lcoated in a fourth-floor suite of offices, replete with computer terminals and a telex machine, on Salah al-Din Street in East Jerusalem. It continues to provide its 50 subscribers with information on the territories by telephone. The agency has recently inaugurated an experimental service to supply the bulletin to a limited number of subscribers by telex. Qar'in hopes to expand this service to many more local subscribers in about a month.

The agency also sends articles and data to papers in the Arab world and serves as a stringer for such media giants as the ABC and CBS television networks.

In addition to revenues from these activities, the PPS has received grants from the World Council of Churches and other philanthropic organizations. "With all those sources of income, we are managing to survive financially," says Abu 'Ayyash.

[TA030850] In separate interviews, both Qar'in and Abu 'Ayyash continually return to the PPS's role as a meeting place. "I believe in getting together," says Qar'in. "I think that dialogue is the key word. The approach of the office is to help people to get to know each other."

Both men proudly note the help they extend to journalists writing stories on the West Bank and the interviews with Israelis they print in their publications. "We have interviewed Israeli leftists and doves," said 'Abu Ayyash, "including members of MAPAM, the Citizens Rights Movement, and Shinuy. In this way, we opened a new avenue to the Palestinians. In order to understand the Israelis, we have to talk to them."

The agency's role in promoting political dialogue stems not only from policy, explains Qar'in, but is almost natural. "As Palestinians, we cannot be only professional, aloof from politics. In the same way, when Israelis and Palestinians meet, they cannot only discuss professional matters. After a while, they must get down to the main subject--politics."

Qar'in was right, for inevitably our discussions turned to Arab-Israeli politics. Although denying any financial or organizational links to the PLO, both men openly support this organization. "Every Palestinian in the occupied territories is in favor of the PLO," says Abu 'Ayyash. "The PLO represents the dream of restoring our national identity. Israelis make a mistake by not differentiating between passionate support of and membership in the PLO. If I say I am a Palestinian and want a state in the territories, I want to be free, to live in a democratic country, to have a passport, a flag--this does not mean I am a member of the PLO."

Both men support 'Arafat and see talks between him and Israeli leaders as the only road to peace. But Abu 'Ayyash says he could not ask 'Arafat to refrain from terror in order to promote the peace process. 'Arafat has already made many concessions, he claims, "putting him under fire from Palestinian radicals. He gambled his personal career. He told the PNC that we want peace and accept all the UN resolutions, not only 242 and 338, but all of them. Who can guarantee that Israel would give him something if he made more concessions?"

Neither man is optimistic about imminent progress in the peace process. (Abu 'Ayyash was interviewed before King Husayn's recent speech in which the monarch declared an end to the Jordanian-PLO peace initiative; Qar'in, a day after the speech.) Qar'in sees a possible stepped-up role for Egypt, now that Jordan has stepped aside. He insists there can be no substitute for the PLO in negotiations. "Those who speak for the Palestinians must enjoy the support of the overwhelming majority of the Palestinian people if we are to have an everlasting, just peace," he maintains. "We don't want a repeat of the Israel-Lebanon treaty."

Difficult missions require great leaders, Abu 'Ayyash concludes. "We need another Ben-Gurion in Israel, to demand talks with the PLO," he asserts.

/9365
CSO: 4400/116

ISRAEL

HIGH FREQUENCY MANAGEMENT SYSTEM DESCRIBED

Tel Aviv QESHER ELEQTRONIQA MAHSHAVIM in Hebrew Sep 85 pp 17-20

[Article by Dr Yosef Perl, Tadiran Communications Division: "A High Frequency Waves Management System in Real Time--HFMS"; no footnotes published in original article although superset numbers appear in text]

[Text] The domain of high frequency waves is widely used for the purpose of long range communication (hundreds and thousands of kilometers) and of short range tactical communication. The only commutative means of HF long range communication is through satellites, a method that requires expensive equipment and that has in recent years been described as vulnerable. In contrast, HF communication is based on small and inexpensive radio sets which permit long distance links based on the properties of the ionosphere, which reflects electromagnetic waves within the HF range. The same ionosphere which permits communication within the HF range also causes the main difficulties occurring in HF communication. The major difficulty stems from the variable properties of the ionosphere as a function of the time of day, season, and solar activities. The changing nature of the ionosphere requires frequent changes in working frequencies. In addition to the expansion properties of the ionosphere, the HF range is also subject to natural and man-made disturbances. Various adjustable communication systems have been suggested in order to overcome these difficulties. Adjustable HF communication systems can be divided into two groups:

--Frequency management systems, i.e., communication systems designed to provide the best frequency at the given moment. When the current working frequency deteriorates, the frequency management system seeks and provides a better frequency for the communication system. The result of frequency management is to activate the communication system on the best "average" frequency.

--Communication establishment systems, i.e., communication systems which perform automatic scanning in order to obtain the best frequency for the purpose of establishing communication at the given moment between two stations. In these systems the scanning is normally done on a small and previously defined collection of frequencies.

Regardless of the classification of the adjustable systems, there are two mandatory steps in the determination of the optimal frequency.

--Determination of the best frequency from the viewpoint of the expansion properties of the ionosphere.

--Ascertaining the level of interference on this frequency, particularly on the receiver side.

In order to determine the best expansion ranges in the HF range it is necessary to sound the channel and study the signal. The study includes examination of various properties such as signal strength, channel multiplication scatter (differential delay), Doppler scatter, and fading. After the selection of the optimal range or frequency, the frequency management system requires reliable and available means of allocating the selected frequency among the members of the communication network. The allocation must be done using means and methods that are independent of disturbances or that can overcome the interferences that the frequency management system is designed to deal with.

The first frequency selection procedures, such as the CHEC method, were primarily based on measuring the level of interference and determining the strength of the signal received in relation to the noise. [2]

This approach emerged from practical studies which showed that disturbances caused by such interference were greater than those caused by interference due to expansion conditions in proportion of 1:5.[3] Improvements on the CHEC method have been suggested[4] on the basis of the discovery of the interference spectrum, according to which the modem will adapt information-carrying tones in the quiet channels of the frequency band. The RACE method[5] (frequency deployment in real time), which is close to the CHEC method, checks the frequencies according to BER deployments with the aid of a frequency broaching modem (FSK). These (BER) deployments are obtained by measuring the ratio of pseudo errors to bits (pseudo BER).[6] The current frequency selection methods are based on chirp sounders, designed to produce a panoramic overview of expansion paths and interference intensity with the aid of periodical surveys of the HF spectrum.[7] In contrast to previous but still existing methods, the HFMS sounder is an integral part of the system, which combines the frequency merging and management functions with the actual establishment of the connection.

HFMS Adjustment Classification

An independent adjustable HF connection system will fulfill all the functions, including frequency management and connection establishment. The systems currently in use meet only one of the above requirements. The LINK-11 system and the other big and expensive systems based on oblique sounders fulfill only the frequency management function. Moreover, these systems are only suitable for channel management, and not for the management of a signal network.

The problem of how to provide comprehensive solutions to signal network management is not an imposible one, and the answer may be based on oblique

sounders, but one must take into account the investments required and the need for a synchronized monitoring center such as the CURTS system.[7] On the other hand, tactical systems such as SCANCALL[9] or SELSCAN[8] are designed to establish the link only. As a consequence of the blocking [hasimut] of alloted communication frequencies, an interrupted connection cannot be reestablished because these systems do not have the means of selecting and allocating frequencies.

The HFMS incorporates the functions of frequency management and connection establishment for the network and even performs active and passive sounding in part of the HF spectrum from which the most suitable free frequencies are selected for use. The sounding is performed several times within 24 hours (four times, for example) although it can be carried out whenever desirable or necessary. During or in between soundings the HFMS carries out a process of connection establishment between two network stations according to the operators'purposes. The sounding, selection, and ensuing allocation are the functional steps performed by the HFMS. Thus, the system provides the best frequencies for HF communication within a previously defined HF range. These selected frequencies are the best on the average, but can sometimes be subject to temporary disturbances; however, at all times there is one frequency which is the best for the purposes of the communication. The communication adjustment is performed by the HFMS system, which provides fast and optimal connections for the network stations.

System Structure (configurations)

The HFMS was designed so as to work in combination with various HF sets, provided they can be controlled from a distance. The control required is that the working frequency can be monitored from a distance and the receiver has an outlet emitting data at the tension level of its automatic ameliorator (AGC). The speed with which the frequency change occurs must be known and noted as a primary parameter in the HFMS unit. The time of frequency change for the entire network is established according to the set in which the change is the slowest. In the local configuration, the HFMS is connected to the local radio set as a monitoring unit, designed to monitor the working frequency and determine the type of data of which the apparatus is in charge (audio or modem). Other parameters, such as the modulation system, type of noise suppression, and transmission strength are determined with the aid of monitors located in the front casing of the radio set. The sounds enter and exit through the HFMS unit.

There are several remote monitoring configurations in which the HFMS, or the radio set, or their front casing are split and are not located in one spot. In such cases the HFMS or its monitoring unit simulate the radio set toward the radio monitoring set and vice versa.

HFMS Functions

The system has two functions:

--Selecting the 10 best frequencies out of the 100 previously established ones. These 100 frequencies constitute the "HFMS channel."

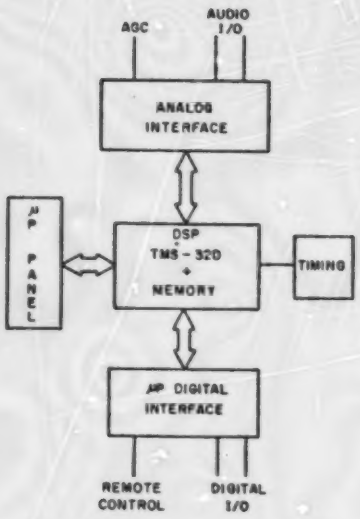

FIGURE 2: SOFTWARE IMPLEMENTED MESA BLOCK DIAGRAM.

--Performing the reading procedure on the best free frequency among the 10 reading frequencies, and establishing connections through them. The two functions are time interleaved and do not interfere with each other. The frequency management and connection establishment functions are performed with the aid of regular HF sets.

Start Off

Several preparatory steps are required before putting the HFMS system into use.

The following data must be noted in the HFMS memory through a manual [yadani] loader or through the front casing:

--The frequency range (day and night) from which the "HFMS channel" will be selected. Banned and recommended frequencies will also be noted.

--Crypto keys.

--The exact hour up to an approximation of ± 3 minutes, and the the time of transition from day frequency to night frequency and vice-versa.

--The maximum time required to change the frequency in the network.

--The function of the unit in the network, as monitor or as network member.

--The 10 first reading frequencies (day and night).

--Addresses (reading code) of the network members.

In addition, the following data must be noted in the communication monitor:

--The network stations apt to answer the sounding.

--The sounding dates, and whether they are automatically initiated.

The Communication Process

The same series of 10 frequencies are at the disposal of all N stations of the network, determined at the latest sounding cycle (the frequency management process). Each HFMS contains a quality matrix of the size (N-1) x 10 which includes connection quality measurements on each of the 10 frequencies to each of the remainning (N-1) network participants.

These measurements are updated in the wake of each communication attempt within the network. Each time station A initials a call to station B the HFMS of A checks the matrix and selects the best frequency for a communication channel between A and B.

When the connection fails to be made, the receiver scans and searches for reading signals on the 10 communication frequencies and oversees all the 100 frequencies to garner statistical data on the frequency load for the following sounding cycle. The total reading time is about 4 seconds if the selected frequency is free, and if it is not the reading is passed on to the second best frequency, and so on. Since the quality levels required for sound transmission or messages are different, the HFMS selects the frequency in accordance with the purpose.

Frequency Management Process

The frequency management consists of one passive and several active operations. The passive operation consists of monitoring the channel occupancy on the 100 frequencies of the "HFMS channel."

The HFMS of each network station measures the level of disturbance at its site. In view of the fact that the network stations are sited at various locations, the disturbance level will also differ from one station to the next, and this will be reflected in a changing interference measurement pattern (IMP). The IMP at the sounder site serves as sounding signal. The sounding message is transmitted on each of the 100 wavelengths with the aid of an internal HF modem. The receiver modem represents the pattern [doguem] for each of the 100 channels tested according to time and frequency, and reconstructs the sounder IMP according to the decoding majority.

On the receiver side, the transmitted signal is revealed, the scatter quality is tested on each frequency, the IMP is checked, and that permits the selection of the best frequencies out of the 100 under observation. In the case of scatter symmetry, after the sounding is completed the receiver has sufficient information to select the 10 best frequencies.

When a geographical area is known for asymmetry, a repeat sounding is carried out in the opposite direction and the frequencies are selected by the sounder. The 10 frequencies selected are allocated to the network stations and remain at the disposal of the system network until the next updating.

Structure of the HFMS Net

The HFMS system deals with the frequency management at link level (see diagram 1a) and at net level (diagram 1b). The HF link in diagram 1a is between two areas located at a distance of hundreds or thousands of kilometers. Within the area, the network stations are within the range of ground waves (several km).

The connection process takes place between two stations regardless of their geographical location, but the frequency management system [see text for symbol] is optimization-effective only for the long range link. In the one-way sounder method the optimal frequencies are selected by the net controller. The selection is based on the reception quality of the sounder message. The frequency allocation is performed by the net controller. In the two-way sounder method, both the selection and the allocation are performed by the sounder, in accordance with the opposite sounding performed by the net controller.

The net described in diagram 1b is located in a relatively limited geographical area (200x200 km) and the sounding method is solely two-way. In this net, the repeat sounding is performed in the opposite direction by a few of the stations, which inform the sounder of the frequencies selected. The network stations are chosen for this function by the sounder, which informs them of the fact. During the performance of the sounding process, the sounder is aware of the net dispersal and selects the stations so as to ensure coverage of the entire network area. When the number of stations is relatively small (less than five), they all perform the repeat sounding.

On the basis of these reports, the sounder selects the best common collection of frequencies and allocates them for use by all the network stations.
[diagram]
The HFMS system is now at the stage of engineering demonstration; field tests are expected to take place in the second half of 1985. The evaluation of the parameters of the various HF links is performed by a digital signal processor of the TMS-320 family. The modem operations, required in order to manage the frequencies and establish the connection, are also performed with the aid of the above signal processor. The HFMS contains an additional micro controller

designed to control the radio set and the frontal casing of the HFMS, which is in command of the signal processor function.

This article presents an efficient implementation of an innovative method of combining HF frequency management with adjustable communication. A preliminary test has shown that such a method can considerably improve communication on HF links.

Preliminary Test to Verify the Basic Assumption of the System Approach

In order to verify the HFMS approach, a field test was devised and carried out between Holon and Eilat (about 300 km). The objective was to verify the assumption that out of a large number of randomly selected frequencies, it is highly reasonable to expect to find one (or several) frequencies on which it is possible to transmit a digital message without errors. The size of the frequency disposal and the length of the message are among the variable factors of the problem. The required size of the frequency disposal (which had been randomly selected) was also tested for the purpose of transmitting a digital message by repeat transmissions and majority decoding. We bring here several of the test results.

The test featured repeat transmissions of 200 bits sections. The transmission used an MD-522 slow modem working on the frequency coding FSK method, and 100 and 400 watt transmitters. The transmission antenna in Holon was an adapted wide band dipole antenna, while the reception antenna in Eilat was a long wire antenna. The transmission took place during most of the hours of the day and night; the messages were recorded on the receiver side for the purpose of computer analysis.

Two types of tests were carried out. One type incorporated repeat messages at high frequency at approximately 10 second intervals. The frequencies selected were not of the best; on the contrary, several noisy frequencies were selected in order to create the most authentic conditions possible.

In the second type of test, the same 200 bit messages were transmitted on various frequencies at 4 kHz intervals within the same range and at the same hour.

The time intervals between the repeat transmissions were about 1 or 2 minutes --the interval required for the frequency skip. The quality of the sound transmission was examined in some experiments immediately after the transmission of the digital message in order to check the suitability of each frequency for sound signals.

The results of the tests verified the basic assumption of the system approach. The main finding was that the number of frequencies required in order to find among them, with a high degree of probability, a frequency that will permit message transmission without errors is 65-120.

The results collected were examined by a computer, and several of them are presented below.

TABLE T1-MAJORITY DECISION AND MESSAGE BER STATISTICS: SINGLE FREQUENCY .

MESSAGE SET	M	M_A	M_B	M_C	M_D	M_E	M_F	M_G	M_H	M_K
NUMBER OF MESSAGES	110	55	55	55	22	22	22	22	22	55
$\bar{C}$ PERCENT	73	80	66	71	80	80	83	83	40	87
δC PERCENT	13	12	18	14	12	16	18	14	26	10
NUMBER OF FAILED BITS	0	0	1	0	0	0	0	0	21	0
PERCENT C BELOW 20 PERCENT	0	0	2	0 5	0	0	2	0	26	0
CMAX PERCENT	94	96	96	96	100	100	100	100	100	100
CMIN PERCENT	22	45	0	0	45	33	4	45	0	44
$\overline{BER}$	139	102	175	152	104	101	085	065	307	069
δBER	125	092	136	122	108	085	069	059	098	088
BER_{max}	520	381	468	489	381	300	247	200	468	390
BER_{min}	0	0	0	0	0	0	0	0	0	0

Table 1 presents a typical result obtained during the experiment. The 200 bits test message was transmitted 110 times on the same frequency (5.44 mHz) between 1500-1530 hours. The messages received were BER examined, and all 200 bits of the message were calculated by "majority decoding" for all the 110 messages received. With this method, all 200 bits were received without error.

In addition to counting the failed bits by majority decoding, the confidence value of all the bits was also found. The CI confidence value of 1 bit when I=1,2,3...200 was calculated by:

$$CI = \frac{(\bar{B}_T - 2\bar{B}_E) \times 100\%}{BT}$$

When: all the bits received = B_T failed bits.

The expectation [symbol no 2], the norm deviation 6C, and the minimum and maximum values of CI for I=1...200 were also calculated, as was the cumulative percentage of bits whose confidence value was below 20 percent (less reliable bits).

These results are presented in the first column of Table 1. When deciding on the number of links for study (N) one must compromise between a high N value permitting a wide link choice and reliable interpretation according to majority decoding, and a low N value permitting a rapid overview and immediate decision. In order to clarify this point, 100 messages were divided into subgroups, and the majority decoding and ensuing observation were performed for each subgroup separately. If the 100 messages constitute the vector M=(M1,M22...M100) then the following subgroups are observed in table 1:

Case A: MA=(M1,---,M55)
Case B: MB=(M56,---,M110)
Case C: MC=(M1,M3,M5,---,M109)
Case D: MD=(M1,---,M22)
Case E: ME=(M23,---,M44)
Case F: MF=(M45,---,M66)
Case G: MG=(M67,---,M88)
Case H: MH=(M89,---,M110)

An examination of table 1 shows that in the second half, i.e., in case B, the BER is high and confidence values are low (some 2 percent below the 20 percent established), while one bit even failed in the majority decoding. In an additional division of the message, we see that this is due to case H and to the poor quality of the last 22 messages (probably because of the deterioration of link conditions). In this case, if the N selected had been 22 (or even 55) the majority decoding method would have failed for the test messages. This highlights the importance of a high N value. In case K the series featured 55 messages and was transmitted on one channel between 1020 and 1045 hours. The BER performances and confidence value statistics improved in comparison with parallel series received the previous day (examples MA, MB, and MC).

TABLE T2-MAJORITY DECISION AND MESSAGE BER STATISTICS

MESSAGE SET	M-1	M-2	M-3	M-4	M-5	M-6	M-7	M-5.1	M-5.2	M-7.1	M-7.2	M-7.3
CENTER FREQ.(MHz)	5.44	40	5.58	5.43	6.0	5.0	5.54	6.0	6.0	5.54	5.54	5.54
HOP SIZE (KHz)	4	4and5	4	4	100	200	4	100	100	4	4	4
NUMBER OF MESSAGES	22	25	53	90	35	11	63	15	15	21	21	21
$\bar{C}$ PERCENT	72	80	88	94	81	80	86	71	91	95	95	68
σ_C PERCENT	16	12	9	4	14	17	7	22	10	7	7	15
FAILED BITS	0	0	0	0	0	0	0	1	0	0	0	0
PERCENT C BELOW 20%	0.5	0	0	0	0	0	0	1	0	0	0	2
CMAX PERCENT	100	100	100	100	100	100	100	100	100	100	100	100
CMIN PERCENT	10	32	45	75	40	27	57	0	57	71	71	15
$\overline{BER}$	.146	.102	.061	.029	.098	.101	.070	.146	.047	.026	.026	.162
σ_{BER}	.123	.103	.081	.071	.126	.142	.099	.171	.069	.056	.053	.116
BER MAX	.418	.306	.344	.410	.440	.340	.401	.465	.202	.244	.195	.417
BER MIN	0	0	0	0	0	0	0	0	0	0	0	0

Table 2 shows the results of the method testing with frequency skips. The following remarks occurred upon examination of the results:

--The transmission began on "reasonable" frequencies, i.e., frequencies whose average sound quality was about 3. Frequency skips of 4 kHz (or more) were made around those frequencies. This approach is similar to the method of selecting the HFMS link in the medium frequency range.

--Experiment M-6 on table 2 shows good results, particularly for N=1, mainly thanks to the operation of a powerful 400W transmitter instead of the 100W transmitter used for all the other experiments.

--Experiments M-5.1 and M-5.2 are two subtests of experiment M-5. Interestingly, in the case of M-5 none of the bits failed and the confidence value of the bits was higher than 20 percent. If we examine only the first half of the message (M-5.1), the results will be different. One bit failed in the decoding majority, and the confidence value of two bits (2 percent) will be below 20 percent. The second half (M-5.2) yielded far better results. A similar phenomenon was revealed in experiment M-7, concerning subtests M-7.1, M-7.2, and M-7.3. Although bits did not fail in any of the subtests, case M-7.3 is marginal, because 2 percent of its bits had a confidence value below 20 percent, and the general average was also low.

Conclusions

The results obtained in these tests showed the desirable N value (the number of links that can be heard). This number was found to be relatively high (60-125).

12782
CSO:4423/81

BRIEFS

NEW NEWS AGENCY--JTA, the JEWISH TELEGRAPHIC AGENCY, has withdrawn its opposition to the establishment of another news agency in Israel. The establishment of the news agency was announced in Jerusalem last week by the Government Press Office and the World Zionist Organization's information department at the International Colloquium of the Jewish Press. The new news agency will issue weekly reviews of events, official government statements, documents and background material, reports on the Zionist Federation, and excerpts from the Israeli press, including editorials. This will be done via the electronic and international media. [Text] [Tel Aviv MA'ARIV in Hebrew 22 Jan 86 p 2 TA] /9365

ISRAELI ARMS DEALERS SEEK IRANIAN SALES--Paris--Scores of arms dealers are now rushing to hold secret talks and submit offers of arms and equipment sales to Iranian embassies and diplomaic missions in some European countries, including France. Numerous Israeli arms dealers left Israel recently for this purpose. Informed political sources have revealed that (Uri Lubran), a senior Israeli diplomat who worked in Iran during the reign of the Shah and a close associate of the Iranians, is currently in London where he met secretly with a top level Iranian security official. Israel is looking favorably on the recent intensification of the battles between Iran and Iraq. Israeli Defense Minister Yitzhak Rabin is quoted as saying: We have patiently waited for the Iranians to initiate large-scale military attacks on Iraq and we are now waiting for the outcome. [Text] [Kuwait AL-RA'Y AL-'AMM in Arabic 13 Feb 86 pp 1, 21] /9365

FAMILY REUNIFICATION REQUESTS REJECTED--The Civilian Administration's acting commander of the Gaza Strip has reported that 2,937 requests for family reunification were submitted to the Judaea and Samaria authorities in 1985, and that only 10 of them were approved. Some 171 such requests were submitted in the Gaza Strip area, and 45 of them were approved. This data was provided to the High Court of Justice in an affidavit on behalf of Major Yosef Avraham in response to an appeal submitted by two inhabitants of the Gaza District whose requests to allow them to bring the wives they married abroad into the area were denied by the defense authorities. "Israel is not interested in allowing any resident of the area who so wishes to marry a woman overseas and bring her here. The decision as to who will enter and reside in Judaea, Samaria, and Gaza is a matter for the authorities to decide, and the inhabitants cannot force their personal opinions on the administration," the affidavit stated,

adding that the Military Government permits local residents to leave for the sake of family reunification outside the area. It also said that the policy is to comply with a minimum of requests for family reunification in the Gaza Strip and the West Bank. [ITIM report] [Text] [TA141700 Tel Aviv HA'ARETZ in Hebrew 14 Feb 86 p 3] /9365

KAHANE SILENCED IN QIRYAT MALAKHI--Last night Knesset Member Meir Kahane did not succeed in making his voice heard at a rally he had organized in Qiryat Malakhi. Thousands of residents gathered there, among them many young people from the town and the nearby kibbutzim and moshavin, and they used hundreds of whistles to drown out Kahane's voice. The young people sang and danced and carried placards under Kahane's nose: "This is not Nuremburg"; "Heil, Kahane." A large force of policemen prevented clashes between Kahane's few supporters, among whom some Habad Hassidic Jews featured prominently, and his opponents. The policemen also defended Kahane and made it possible for him to leave the place. [By Dani Tzidqoni] [Text] [Tel Aviv DAVAR in Hebrew 17 Feb 86 p 6] /9365

SETTLEMENT EXPANSION SOUGHT--The Council of Jewish Settlements in Judaea, Samaria, and the Gaza Strip has decided to try to influence coalition factions to establish new settlements in the territories. If the operation is unsuccessful, the Council will consider the possibility of the existing settlements seeing to the establishment of new settlements. The Council of Jewish Settlements in Judaea, Samaria, and the Gaza Strip has also condemned what it calls the alignment ministers' campaign of incitement against settlement and the confrontation they are trying to create between the development towns and the settlements in the territories. Our correspondent Avshalom Ginosar reports that thse decisions were preceded by a fierce argument between a group, headed by Elyaqim Ha'etzni, which is proposing that the settlement take upon themselves responsibility for expanding settlements, and another, headed by Rabbi Yo'el Bin-Nun, which is against this path. [Text] [Jerusalem Domestic Service in Hebrew 0500 GMT 26 Feb 86] /9365

COPTIC COLLEGE BUILDING ARRANGEMENT--An arrangement has been found that would allow the Coptic College to be established in Bayt Hanina, north of Jerusalem. Our political correspondent Shim'on Schiffer reports that following consultations with the prime minister over the weekend, an agreement was reached to authorize the Interior Ministry to take action to approve the establishment of the college. The IDF has recently rescinded its opposition to the establishment of the Coptic College in the designated area. [Text] [Jerusalem Domestic Service in Hebrew 0600 GMT 2 Mar 86] /9365

FEBRUARY STATE REVENUES--State revenues registered an increase of 10 percent in real terms in February compared with the same month in 1985, and amounted to over 1 billion new shekels. State revenues from import tax and value-added tax did not increase and this indicates stability among consumers and importers. Revenues from sales tax on local products and fuel tax registered a slight decrease. From the beginning of the fiscal year until February 1986 state revenues were 6 percent higher than during the same period last year, and amounted to 11 billion new shekels. [Text] [Jerusalem Domestic Service in Hebrew 1600 GMT 2 Mar 86 TA] /9365

FEBRUARY SOVIET EMIGRATION--Last month 84 Jews left the Soviet Union. Only 21 of them immigrated to Israel. [Text] [Jerusalem Television Service in Hebrew 1900 GMT 5 Mar 86 TA] /9365

CSO: 4400/116

FADLALLAH DISCUSSES ISLAM, LEBANESE, AREA ISSUES

Paris POLITIQUE INTERNATIONALE in French Autumn 85 pp 265-70

[Interview with Shaykh Mohamed Hussein Fadlallah, spiritual leader of the Hezbollah party, generally considered the guide of the fundamentalist Shi'ites), by Randa Takieddine, Lebanese journalist, correspondent in Paris for the Lebanese weekly AN-NAHAR ARAB REPORT, and specialist in Middle East political and economic questions): "Imperial Islam"; date and place not given]

[Question] Shaykh Fadlallah, how do you envision the probable development of the situation in Lebanon today?

[Answer] There is no sign of any real development on the Lebanese political scene. This is so because it is now less a matter of solving the Lebanese crisis than of controlling it in order to avoid disrupting the present status quo. If this status quo were to disappear, the way would be open for other kinds of settlements which, apart from Lebanon, concern the Middle East as a whole. As a matter of fact, as we all know, the United States is secretly hatching a plot targeting this area. As a result, if a political void were to be created, certain factions would not fail to take advantage of it immediately, which would put them in a position of strength for future negotiations.

[Question] In your opinion, however, is there a way to defuse the Lebanese crisis?

[Answer] The Lebanese problem is a matter of detail rather than a global question because of the various regional entities involved in it. This complexity implies that there is no magic solution for Lebanon. The main difficulty involves the existence of a sectarian system which produces two kinds of consequences: on the political level, it creates security problems; on the psychological level, it hinders profound human thought. Each sect believes, furthermore, that it is part of its duty to protect its traditional borders and thus isolates itself against the other forces present in Lebanon.

[Question] If I understand you correctly, you are opposed to the creation of an Islamic republic in Lebanon.

[Answer] No, I am not opposed to it; I am not hostile to the creation of an

equitable Islamic republic. But for me, Islam is at the same time a philosophy, a way of life, and a social organization; it makes it possible to explain the operation of the universe; it constitutes the right approach to life, not only for Lebanon, but also for the whole world. That is why we thinkers are working, even beyond Lebanon's case, for the Islamization of the entire planet.

[Question] All right. But what about the application of these principles to your own country?

[Answer] The moment has not yet come for the achievement of our supreme goal. The country is not yet ready for that. During my last trip to Iran, the officials I met there did not suggest to me that they envisaged a rapid transformation of Lebanon into an Islamic republic. For them, the solution to the Lebanese problem will only be achieved through the establishment of a true democracy, with a president and parliament chosen by means of direct elections.

[Question] If Islamic philosophy were to succeed eventually in being completely applied to Lebanon, what would the situation of the Christians present in the country be then?

[Answer] There should be no problem inasmuch as Christianity is not a political philosophy but simply a faith. In that situation, Islam would guarantee Christians respect for their faith and their free participation in worship. Of course, it is normal that in a political system based on certain precepts, those who do not recognize the values shared by the majority of the people do not benefit from all the opportunities. Consider, for example, the east bloc countries and the Soviet Union; do these states allow non-Marxists to assume important responsibilities? No, that would be a betrayal. Having said that, for us the preservation of a certain political approach must not issue in religious discrimination directed against Christians. Jews and Christians have been living together for more than 14 centuries in Muslim countries. Islam respects the freedom of others.

[Question] Do you have good relations with the Lebanese leaders?

[Answer] I have no respect for the Lebanese leaders presently in power because they do not represent the choice of the people. As you know, the last presidential elections took place under the physical and financial pressure of Israel. The president's hands are stained with the blood of the oppressed he has had massacred. He is a criminal whose men have bombarded the southern suburb of west Beirut and the Chouf mountain. He is a liar who runs politics like a trade. The Kataeb party which he leads is a racist party, in this sense close to the Nazis and Israelis; he does not really represent the Christians of Lebanon.

[Question] How do you explain the fact that the head of the Shi'ite Amal movement is a member of the Lebanese government?

[Answer] Ask him that question!

[Question] It is said that Nabih Berri does not control the entire Shi'ite community. Is that true?

[Answer] It is probably true. Amal does not represent all Shi'ites.

[Question] What will be the role of the Shi'ite resistance after the complete withdrawal of the Israelis from southern Lebanon?

[Answer] In southern Lebanon, as a matter of fact, the resistance is mainly Shi'ite; but I want to point out that it acts according to Islamic principles and not according to its own sectarian precepts. That is why it opposed the Israeli withdrawal according to the terms of the 17 May 1983 agreement.

We must destroy the legend of the invincibility of Israel. Certainly, Israel at the moment is militarily stronger than we are; but do not forget that this state too is vulnerable in some areas. To take advantage of all these weaknesses, we must have recourse to popular resistance. Today difficulties remain regarding the final withdrawal of the Israelis and perhaps we will have to wage a difficult battle along the borders.

[Question] In your view, are the suicide missions launched by Shi'ites--said to be among your friends--against the headquarters of the American marines and French parachutists stationed in Beirut acts of resistance?

[Answer] These initiatives must be placed in their context. If a fighter blows himself up by means of an explosive device, his act can be considered purely and simply an act of suicide. But if his aim is to have a political impact on an enemy whom it is impossible to fight by conventional means, then his sacrifice can be part of a jihad, a religious war. Such an undertaking differs little from that of a soldier who fights and knows that in the end he will be killed. The two situations lead to death; except that one fits in with the conventional procedures of war, and the other does not. That is why people in the west say that each of these operations is carried out after our fighters have been "brainwashed."

[Question] It is said that you are the moral and spiritual head of the Hezbollahs, who form the "Party of God." Do you accept this paternal title?

[Answer] I have no institutional connection with the parties. I am a thinker and a writer. As you know, I have written about 20 works on Islamic philosophy. My opinions have influenced Lebanese Sunnis as well as Shi'ites. Moreover, I do have excellent relations with the Hezbollahs, most of the members of the Amal party and some non-Shi'ite Islamic groups, such as the Sunnis of Tripoli or Beirut. I am often called the guide of the Hezbollahs because their leaders are not well known; nevertheless, they exist and are in fact very active on the Lebanese political scene.

[Question] Are you in agreement with the activities of the "Islamic Jihad?"

[Answer] I am prepared to offer a large reward to anyone who can prove to me the actual existence of this group.

[Question] What are your relations with the Druze led by Walid Jumblatt?

[Answer] I respect Walid Jumblatt's frankness and the positions for which he stands. The Druze reacted well during recent events in Lebanon. We have no direct contact with them, but we feel of one accord with them, and we support them from a distance.

[Question] Do you agree with the policy pursued by the Syrians in Lebanon?

[Answer] We approve the policy of confrontation being followed by the Syrians with regard to Israel. We also support their position vis-a-vis the United States. Syria plays a positive role which benefits us. At the present time, it protects Lebanese Muslims and spares them forced cooperation with Israel.

[Question] In the Iran-Iraq conflict, what is your explanation of the hard-line position taken by Iran? On what conditions would your Iranian friends agree to end this war?

[Answer] In fact, we want the conflict to end. But one must be practical. The Gulf war begun by Saddam Hussein had the objective of rapidly destroying the Islamic revolution in Iran. It is a war by proxy, waged covertly by the Gulf states, Jordan, Egypt, the United States, and the Soviet Union. This initial goal is proving to be very difficult to achieve in the end, and Iraq is now trying to win peace on its own conditions. For Teheran, this confrontation is mainly a political battle. Iran is a large country endowed with resources which make it the richest state in the area. It definitely intends to make Saddam Hussein pay the price of his aggression.

[Question] Do you have contacts with the Libyan regime?

[Answer] No, we have no relations with Libya which we hold directly responsible for the disappearance of Sayed Moussa Sadr (Footnote 3) (Imam Moussa Sadr disappeared during a trip to Libya. The Shi'ite community accuses Colonel Qadhdhafi of having caused the disappearance of this very influential leader of Shi'ite Islam, who was an obstacle to the spread of the Sunni movement, the religion of 97 percent of Libyans).

[Question] What is your analysis of the Palestinian question?

[Answer] We Muslims and oppressed people consider the Jewish occupation of Palestine a danger for the future of the area and of humanity. The Palestinians should draw inspiration from the south Lebanese resistance movement. We are ready to support a Palestinian resistance which would act according to the Arab Islamic line. Of course, one cannot act in a vacuum. In order to represent a real political gain, the operations undertaken by the martyrs in Palestine itself must be crowned with success.

[Question] What do you think of the PLO?

[Answer] I disapprove of its policies. In its quest for a solution to the Palestinian problem, the PLO is throwing away all its cards and is putting them into the hands of the United States. And America seeks only to make the

Arabs give ground.

[Question] Since you have mentioned the problem, what is your opinion of the Middle East policy of the United States, the Soviet Union, and France?

[Answer] The Soviets have strategic and economic interests in the Middle East. They are trying to establish a counterforce to the United States. Their goal is to gain access to the Mediterranean and to impose their control on the area's oil and natural resources. Although the USSR claims to want to help the people of the Middle East achieve their freedom, we know for a fact that for a long time now it has drifted away from the communist ideal of popular liberation. It now acts as a superpower, as one can observe in Afghanistan.

For their part, the United States is pursuing a policy that is fairly comparable to that of Moscow: they too are trying to establish their strategic positions and to develop an economic hegemony in the area by promoting the flow of western goods into our markets. As for Francois Mitterrand's France, it plays only a marginal role and is acting as a broker of American policy in the Middle East. In short, I find the actions of the major powers negative inasmuch as the satisfaction of their interests necessarily works to our disadvantage and can only hinder us from acquiring our economic, social, and cultural independence.

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CSO: 4419/12

SYRIA

GOVERNMENT EASES TIGHT IMPORT RESTRICTIONS

London MIDDLE EASTERN ECONOMIC REVIEW in English 14 Dec 85 p 69

[Text] SYRIA has recently eased some of the tight import restrictions that have been in force for the past 18 months. The reasons for imposing the restrictions in the first place are evident from the latest balance of payments figures from the Central Bank of Syria. These show a sharp deterioration in the external accounts in 1983.

The central bank figures show the current account deficit more than tripling between 1982 and 1983. At the same time, the overall balance of payments deficit doubled to the equivalent of about $430 million. The widening gaps on these accounts were attributable to a large increase in imports.

The merchandise transactions in the central bank table are calculated on a fob basis; trade statistics supplied by the Commercial Bank of Syria, and giving cif figures for imports, show an even larger trade deficit for 1983: £Syr 10,282 million, against the central bank's £Syr 8,703 million. In 1984, thanks to a bumper cotton harvest and a 9 per cent cut in imports, the trade deficit fell by 14 per cent.

Syria: balance of payments estimates, 1982-83
(£Syr million)

	1983	1982	% change
Receipts, of which	17,496	17,372	+1
Exports	7,594	7,975	-5
Services	3,066	2,226	+38
Unrequited transfers	6,836	7,171	-5
Payments, of which	20,666	18,285	+13
Imports	16,297	14,535	+12
Services and transfers	4,369	3,750	+16
Current account deficit	3,170	913	+247
Capital			
inflows	3,798	2,339	+62
outflows	2,321	2,256	+3
Balance of payments deficit	1,693	830	+104

Exchange rate: $1 = £Syr 3.925 (official rate)

Source: Central Bank of Syria, Damascus

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CSO: 4400/112

SYRIA

DAYR AL-SAWR PAPER MILL IN TROUBLE

London MIDDLE EASTERN ECONOMIC REVIEW in English 14 Dec 85 pp 70-71

[Article by Elisabeth Tampier]

[Text] ARBITRATION between Austria's Voest-Alpine and the state-owned Deir al-Zor pulp and paper mill is under way at the Paris-based International Chamber of Commerce (ICC). The case – which began at the end of November – is an instructive one on the pitfalls of technology transfer and industrialisation aimed at import substitution. Its outcome will also be important in determining the future of one of Syria's most ambitious and controversial projects.

Voest-Alpine, Austria's largest industrial concern, was the partner in an Austro-Italian consortium that won a $100 million turnkey contract in 1975 to build a combined pulp and paper mill at Deir al-Zor, in the east. Voest-Alpine was responsible for the pulp mill – seen as particularly important because it makes use of local raw materials, in line with government industrial policy.

Technical plans called for straw – available from the vast northeastern wheatfields – to be cooked with chemicals in a closed-circuit system, producing pulp and allowing recovery of most of the chemicals for re-use (see diagram). But when construction was completed in 1980, the Copeland reactor failed to function. The reactor is an essential part of the recovery system, which should evaporate water from the cooking liquid (black liquor), burn off the organic waste and collect and reduce the non-organic matter for re-use. Seventeen test runs, carried out over two years, proved unsuccessful.

The cause of the failure, say the Austrians, was a substantial change in the chemical qualities of the straw between the time of the original tests and the final run-up. Increased use of fertilisers by farmers and different irrigation patterns are cited as possible causes for the chemical change in the straw.

Design difficulties

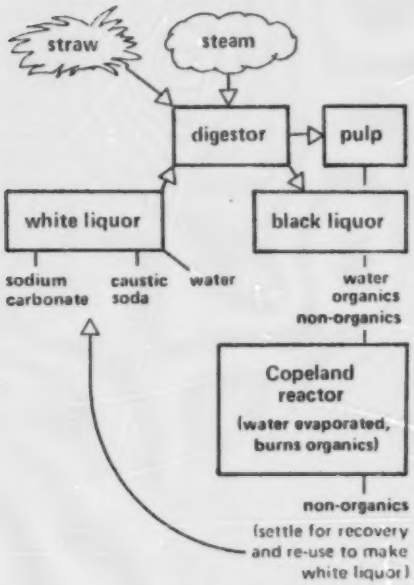
Syrian technical experts consider the failure a design problem, for which they cannot be held responsible. "Can we tell our farmers not to use fertilisers because of the Copeland reactor in the Deir al-Zor pulp mill?" one asked.

"They should have considered that fertiliser use would increase if this was a problem for their design and modified the system properly to cope with it. In a turnkey contract the supplier can choose the system he wants, but it has to work."

Another key issue raised by Voest-Alpine is the escalating cost of supplying the straw. The Austrians say the cost of the straw was estimated at $20 a tonne in 1974; that had risen to $180 a tonne by 1984. The increase in costs means it is cheaper to import pulp to run the paper mill, they add.

The Syrians have rejected Voest-Alpine's suggestion that they switch from a closed to an open circuit, in which fresh chemicals would be continuously added and the black liquor disposed of. Not only would

Deir al-Zor pulp mill:
the production process



this make pulp production more expensive than importing pulp, it would also cause pollution problems.

A closed circuit was part of the system the Syrians had accepted. When the malfunctioning Copeland reactor caused that system to break down, they saw it as not fulfilling the contract's specifications and demanded compensation when repair efforts were abandoned by the supplier. Hence their recourse to the ICC.

The project was for Syria a completely new and highly complex chemical-based industry – and was the source of much local pride. The Syrians now believe too much reliance was placed on the expertise and good reputation of an international firm, which then experimented at their expense. Voest-Alpine rejects this suggestion, noting that several straw-based paper mills have been set up successfully in Hungary and Romania.

The Deir al-Zor paper mill has been in production since 1980, but the need to import pulp and transport it to the project's remote site, far from any sea port, has seriously affected the economic viability of the whole undertaking. Furthermore, because of Syria's chronic shortage of foreign exchange and the long delays in obtaining letters of credit (LCs), even for raw materials, stoppages have been frequent. Production is well below half the mill's capacity of 60,000 tonnes a year.

Fresh efforts are being made to seek alternative raw materials to produce pulp in the pulp mill. Sweden's Celpap Engineering completed a feasibility study in June 1985 on producing pulp from poplar, eucalyptus and casuarina wood, and is carrying out another on the use of cotton lint and wastepaper.

The paper mill's future does not seem to have been affected by the growing trend towards economic rationalisation and a limited abandonment of the import substitution policy – which led to the closure this year of two sugar mills, including one in Deir al-Zor, because it was much cheaper to import sugar than

to produce it locally. Cement bags made in Deir al-Zor cost double the price of imported cement bags, but the latter can only be bought when local production does not meet demand.

New products

The paper mill plans to make a new line of tissue paper products, using imported pulp, in addition to its present brown paper lines of kraft-liner fluting and carton, and white paper products. Tenders have been called for equipment to produce 12,000 tonnes annually of facial and toilet tissue, and baby nappies. These products are in short supply at present, because of LC difficulties.

The mill has in the past suffered from power shortages: its single steam generator broke down for a lengthy period and the mill had to be supplied from the overloaded public grid. It now contributes surplus electricity to the network, and its 15-MW capacity accounts for about one-third of its province's total capacity. A contract for a stand-by boiler house, producing 60 tonnes of steam an hour, was let to another Austrian firm, Kessel-Loos, for AS 30 million ($1.7 million). Work is for completion in May 1986.

Chemical units in the pulp mill have been put to use producing hydrochloric acid and caustic soda, to avoid the mill being at a complete standstill. These units are to be expanded, as the chemicals have proved invaluable. Production of hydrochloric acid, for use in oil fields, will be raised from eight tonnes a day to 27 tonnes a day. Caustic soda production, for steam power stations, will be raised from the present seven tonnes to 22 tonnes a day. A new unit, for completion in July 1986, will fulfil local demand for these products until 1990.

Such moves indicate official confidence, and reassure the mill's workers, but the project cannot be considered a success until the problem of how to produce pulp locally has been solved. The initial phase of the arbitration in Paris – to record a detailed description of the present situation in the pulp mill – is just the first step.

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CSO: 4400/112

SYRIA

WORK BEGINS ON 5-YEAR PLAN TO BOOST AGRICULTURE

London MIDDLE EASTERN ECONOMIC REVIEW in English 25 Jan 86 p 32

[Text]

Work has started on drawing up a detailed draft for the sixth five-year plan (1986-90). Few details of the plan have been released, but particular efforts will be made to increase investment in agriculture and industry, according to Minister of State for Planning Affairs Sabah Baqjaji. If recent trends continue, it is likely that most of the extra finance will be directed to agriculture or agro-industry.

The fifth plan (1981-85) signalled a shift in economic policy towards setting more modest targets, while trying to cut imports and reduce the increase in public spending. Tight controls on expenditure have been evident in recent budgets, as has been the priority accorded to agriculture. In the 1985 budget, total expenditure rose by 4 per cent from the previous year; planned investment in agriculture increased by 23 per cent.

The 1981-85 plan called for a 7.6 per cent annual increase in gross domestic product (GDP) and a progressive reduction in the trade deficit: exports were to grow by 6.5 per cent a year, while the planned annual increase of imports was to be kept at 3.4 per cent. According to the government's 1985 statistical abstract, GDP actually rose by less than 1 per cent a year between 1981-84, at constant 1980 prices.

External trade contracted during the period of the fifth plan: imports fell to £Syr 16,155 million ($4,115 million) in 1984 from £Syr 19,781 million ($5,039 million) in 1981; exports dropped to £Syr 7,275 million ($1,854 million) in 1984, compared with £Syr 8,254 million ($2,103 million) in 1981.

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CSO: 4400/112

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BUDAPEST TV INTERVIEWS LEADERS ON SITUATION

LD092012 Budapest Television Service in Hungarian 1800 GMT 9 Feb 86

[From the "The Week" program; no video available]

[Text] Our first report is on South Yemen, from where Alajos Chrudinak and Sandor Lukin returned Friday. So, here is a political report from Aden:

[Chrudinak] We arrived in Aden from Djibouti on board a Chinese freighter after a long and eventful journey. Aden at that time was still unapproachable. Because of the internal war the borders had been closed, particularly to curious journalists, but we managed to get ashore with a certain amount of intrigue.

[Begin recording] Mr Prime Minister, after the bloody events what human and losses has the country suffered, in your opinion?

[Prime Minister in Arabic with superimposed Hungarian translation] The losses are extremely great. But the social and political damage is bigger than all that. By trying to change the struggle within the party into a tribal and clan war, 'Ali Nasir has created an extremely grave social situation. He has brought about a political and psychological crisis in society and in the party which is completely contradictory to the ideas of our party, to its moral and political values.

[Chrudinak] Mr Foreign Minister, you have been reappointed to your post. After the merciless killings and the internal war, what, in your opinion, foreign policy does Democratic Yemen intend to pursue?

['Abd al-'Aziz al-Dali in Arabic with superimposed Hungarian translation] With regard to the foreign policy of the People's Democratic Republic of Yemen, we shall also in the future adhere to the foreign political line determined by our party, the basis of which is peaceful coexistence, international solidarity as well as the further developing and strengthening of comradely relations with the socialist countries, above all the Soviet Union. And finally, the creating of a good-neighborly relations with the neighboring countries.

[Chrudinak] So there is no change?

[Al-Dali] There will be no change, either now or in the future with regard to foreign policy.

[Chrudinak] In the harbor and its environs, where the heaviest fighting took place, several oil containers were hit. You, sir, from where did you shoot at the containers?

[Unidentified voice in Arabic with superimposed Hungarian translation] The plotters, that is to say the units of the navy, shot at the port and the buildings here from the sea. Oil poured out on to the road from four containers and now we have brought in workers to try and pump it back in somehow.

[Chrudinak] Aden, which has a population of over 300,000 has quickly recovered. Now everywhere they are trying to remove the wounds inflicted by war. But restoration of the nearly $600 million of material damage in this extremely poor country is expected to take a long time yet. The majority of the shops and restaurants have already opened. And there is not such an acute shortage of food, either, as there was in the last days of the war when water and bread also ran out. But will the whipped-up passions calm down, or are the victors now hungry for revenge and will they avenge the wrongs that they suffered? This was the question I put to Haydar al-'Attas, the newly-elected head of state.

[Al-'Attas in Arabic with superimposed Hungarian translation] There will be no reprisals here. Since we restored order we have not used reprisals against anyone, whether he played a leading or a secondary role in sparking off the events. There have been no atrocities; there is discipline and order in the country. In the future, too, a person can only be called to account on the basis of the law and the constitution. [end recording]

[Chrudinak] Before our departure, the Hungarians working or living in South Yemen asked us to let their families know that they have not been hurt. They are all well.

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CSO: 4400/120

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

NGPF CHIEF CALLS FOR NEW GOVERNMENT

NC132049 Cairo MENA in Arabic 1415 GMT 13 Feb 86

[Text] Cairo, 13 Feb (MENA) -- 'Abd al-Qawi Makkawi, secretary general of the National Grouping of Patriotic Forces of South Yemen, has called for the formation of a national unity government. It is to comprise all Aden political groups, whether at home or abroad. He also advocated a policy of party nonalignment in the international conflict.

Speaking at a press conference in Cairo this morning, the Yemeni politician affirmed that the Soviet Union is responsible for the events that have been taking place in Aden since 13 January. He said that the Soviets fanned the struggle for power among the wings of the ruling Marxist Party and hindered the achievement of national and Yemeni unity.

Makkawi added: We hope that the Soviets have gained experience from this experiment and that they will therefore change their position and respond to the Yemeni people's desires for unity and stability.

Makkawi said that the National Grouping evaluates the parties to the internal conflict in Aden on their efforts to achieve national unity, which is the only way to stabilize the situation in the country.

Asked about the National Grouping's possible cooperation with deposed Yemeni President 'Ali Nasir Muhammad, Makkawi said that 'Ali Nasir no longer represents anything. Makkawi added that the national grouping had bad experiences with him when he was in power in Aden, and that he had failed to address all the national democratic demands.

Makkawi expressed his conviction that those who are now ruling Aden will not allow the return of the deposed president or any of his aides.

He noted that all the parties presently struggling for power have policies based on dictatorship and suppression. He said that these parties share the blame for what has happened in Aden. This is because they disregarded the Yemeni people's social state, because they encouraged tribal conflict as part of Marxism and foreign subservience, and because the ruling party assumed complete control.

The Yemeni politician called on the Arab states to halt their aid to the present regime in Aden to compel it to unite all the Yemenis.

Makkawi concluded his news conference by announcing that he has sent messages to the general secretaries of the United Nations, the Arab League, and the Islamic Conference Organization, asking them to urge those in power in Aden to respond to the national demands, particularly the formation of a national coalition government that will adopt a nonaligned policy.

The National Grouping of Patriotic Forces of South Yemen contains a liberal opposition [illegible]at was formed in exile when the national front assumed power, following the British withdrawal in 1967.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AL-'ATTAS DISCUSSES LESSONS OF CRISIS

AU261645 Sofia RABOTNICHESKO DELO in Bulgarian 25 Feb 86 p 4

[Interview given by Haydar Abu-Bakr al-'Attas, PDRY Supreme Council Presidium chairman, to Krasimir Ivandzhiysci in Aden on 24 February -- first paragraph is interviewer's introduction]

[Text] Haydar Abu-Bakr al-'Attas was born in 1939. He studied electrical engineering. He joined the National Liberation Front of South Yemen in 1963 and participated in its first congress in the same year. He was elected and reelected as a member of the Central Committee of the National Liberation Front and later as a member of the Yemeni Socialist Party [Yp] Central Committee. He was elected prime minister of the PDRY and member of the Politburo in February 1985. He was elected to the post of chairman of the PDRY Sopreme People's Council Presidium on 8 February 1986.

[Ivandzhiyski] Comrade al'-'Attas, despite the fact that it is too early for definitive and final evaluations, we would like to ask you about the first conclusions to be drawn from the crisis that occurred within the YSP in the PDRY.

[Al-'Attas] First of all, I would like to express my gratitude for the attention and for the attitude with which the Bulgarian public followed events in our country. We will most thoroughly analyze all the reasons for the crisis and we will learn the necessary lessons from it.

Numerous problems emerged both within the party and outside the party, but the Politburo was so involved in its internal conflict that it was unable to face them. This situation continued, even following the Third YSP Congress which took place by the end of [passage intelligible]

I would like expressly to stress that the YSP will continue to adhere to its programmatic documents, that it will be loyal to their goals and principles, and that our country will continue to belong to the ranks on the progressive, anti-imperialist, and anticolonialist forces, that we will not deviate from the path of building a new society in our country.

[Ivandzhiyski] Do you envisage convening an extraordinary congress or party conference?

[Al-'Attas] We will convene a YSP national conference in the future. Its goal will be to restore the party's unity, to evaluate the losses suffered, and to reevaluate certain important factors of our domestic development, as well as to correct the shortcomings that have been allowed to occur and the distortions which have taken place.

We are deeply convinced that we will cope successfully with this exceptionally important task.

Despite the fact that according to the western press the events in South Yemen allegedly were a confirmation of the fact that our party line is wrong, the truth is quite the opposite. The fact that we emerged from the complicated and dramatic situation proves that the YSP is capable of fighting, that it has sufficient strength and possibilities to cope with this difficult problem.

[Ivandzhiyski] How do you evaluate relations with the socialist countries?

[Al-'Attas] I would like to point out at once that we most highly appreciate our close cooperation with the socialist countries and above all with the USSR.

We highly appreciate the stand adopted by the USSR and by the other socialist countries regarding the events in our country by assisting us in this difficult and fateful period in the PDRY's development.

One of our basic tasks in the future will be to consolidate our relations with the socialist countries so that we may continue to pursue the implementation of the socialist revolution in our country. These relations are of crucial importance to us since the socialist countries are our tested friends.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AL-BID RECEIVES CABLE FROM PLF OFFICIAL

GF132009 Aden Domestic Service in Arabic 1630 GMT 13 Feb 86

["Text" of the congratulatory cable received by 'Ali Salim al-Bid, secretary general of the YSP Central Committee, from Tal'at Ya'qub, Palestine Liberation Front secretary general, on the occasion of his appointment as secretary general of the YSP Centra Committee -- date not given]

[Text] Allow me, on the occasion of your appointment as the secretary general of the YSP Central Committee, and on behalf of the comrades from the Political Bureau and the Central Committee and all the cadres and bases of the Palestine Liberation Front, to extend to you the warmest struggle wishes for the confidence which the party showed in you during the extraordinary circumstances and after the tragedies caused to the sons of the Yemeni people, during which we lost the significant struggler and the founder of the YSP brother 'Abd al-Fattah Isma'il and his comrades, the significant, historic, and glorious leaders 'Ali Ahmad Nasir 'Antar, Salih Muslih Qasim, and 'Ali Sha'i'Hadi, and many of the party cadres and sons of the people, in addition to the destruction caused by the ordeal.

Dear brother while we in the Palestine Liberation Front repeat our warm condolences for our martyred brethren, we affirm our solidarity with the support for the YSP and its collective leadership, the YSP Political Bureau, in its struggle to overcome the ordeal and its results and to reconstruct and rebuild what was destroyed by those disasters. We also affirm our struggle for the development and the deepening of the struggle relations which link us with your struggling party and which we are proud of. We also affirm the development of the relations between our peoples and parties.

Dear brother, we are confident about your pioneering role and the role of your comrades from the leadership and the cadres of the party, in continuing to safeguard the gains and accomplishments which were achieved by the glorious 14 October revolution and in completing the duties of the national democratic revolution with socialist dimensions, the revolution which the reactionary forces and their imperialist masters want to abolish and foil through the policy of liquidating the Arab National Liberation Movement and through bringing the whole region under the imperialist influence.

The PDRY has become a fortress and a torch of revolution in the region and a hope and pleasure to all the Arab progressivists and nationalists. The PDRY will continue to be a real support until the issues of our peoples achieve victory once again.

Once again dear brother, we extend our warmest greetings. Long live the YSP! Long live the Yemeni and Palestinian revolutions!

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CSO: 4400/120

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

PAPER HIGHLIGHTS YEMENI-SOVIET COOPERATION

GF161416 Aden Domestic Service in Arabic 1245 GMT 16 Feb 86

[From the "News and Reports" Program]

[Text] Brother 'ali Salim al-Bid, secretary general of the YSP Central Committee, has begun a visit to the Soviet Union, having arrived in Moscow yesterday morning to participate in the 27th CPSU Congress at the invitation of Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee. Comrade Boris Ponomarev, candidate member of the CPSU Central Committee Politburo and secretary of the CPSU Central Committee, and a number of Soviet officials received him. The visit of the brother secretary general comes as part of the serious and sincere work to consolidate and deepen the strong comradely relations between the YSP and the CPSU which are based on the noble objectives of the ideology of scientific socialism and proletarian internationalism and as part of the work to consolidate the bonds of friendship existing between our Yemeni people and the friendly Soviet people. This friendship has been put on top of the noble objectives and the common interests of our friendly peoples.

In this regard, this morning's issue of 14 OCTOBER affirmed that our YSP, which is persistently guided by the theory of scientific socialism, has believed and will continue to believe that the question of social progress and socialist construction in the country and the contribution to the peace process are dependent on the principles of internationalist solidarity with the socialist bloc, foremost of which is the Soviet Union, and on peaceful coexistence with other social systems on the basis of equal rights, mutual interests, and noninterference in the local affairs of other countries. It said that the source of the strength and depth of our relationship with the Soviet Union and the socialist countries lies fundamentally in the essence and contents of the principles of internationalist solidarity which constitutes the major principles of our foreign policy. It pointed out that the issue of relationship with the Soviet Union and the consolidation and bolstering of this relationship is a fateful issue for our party and people -- a fateful issue that is connected with our political, ideological, and economic struggle.

It said: While the YSP attributes the factors of its successive victories over its class enemies to the rallying of the people around it and the heroism and brave feats of valor by the people alongside the military and

security institutions, it also intimately links these factors with the constant and principled internationalist positions by the Soviet Union toward our people and party and our progressive regime, and highly assesses the honest and generous aid offered by the people and party of great Lenin. The treaty signed by the PDRY and Soviet Union in Moscow in 1979 embodies the loftiest forms of struggle relations and mutual cooperation in various fields in the interests of both countries. The years since the treaty was signed have verified concretely a number of economic and services projects which are considered to be a symbol of the strong friendship and honest aid offered by the Soviet Union to our country for developing our national economy and social progress and for building a new society. it is worth mentioning that the friendship relations linking our country with the Soviet Union are historical struggle relations.

The Soviet aid to the PDRY is represented in many fields. Yemeni-Soviet projects played a distinguished role in developing the agricultural fields. Through these projects the agricultural installations affected by floods have been rebuilt and new land has been reclaimed. These projects also have contributed to expanding the agricultural area and to developing cultivation and irrigation by digging wells, establishing irrigation canals, and constructing many dams. Fisheries also have been developed.

In the health field, the friendship central hospital for maternity care is a living symbol of the depth of Yemeni-Soviet friendship.

In the field of energy and minerals the thermoelectrical plant is considered to be one of the great results of economic-technical cooperations between our country and the Soviet Union and is considered to be one of the basic projects for establishing a base for economic and social development. Work is continuing in cooperation with the Soviet Union, the GDR, and the CSSR in three fields, including the preparation of geological maps and studies evaluating strategic minerals and industrial material supplies. Through this cooperation many industrial and installation services have been studied. Soviet investments in oil exploration projects during the 5-year plan have reached 86 percent. The first stage of the plan began in northern Hadramawt. Work also began in Shabwah Governorate in 1983. A new protocol was signed with the Soviet side to finance the second stage of oil exploration in Shabwah.

In the field of training, the Soviet Union annually offers about 260 scholarships for academic studies in various fields in addition to 25 postgraduate scholarships and 30 scholarships for studies in industrial technical and technical education.

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PEOPLES DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

BULGARIAN COMMUNIST CONGRESS--Brother 'ali Salim al-Bid, secretary general of the YSP Central Committee, has received an invitation from the Bulgarian Communist Party Central Committee to take part in the 13th congress of the Bulgarian Communist Party. The invitation was extended during meeting at the YSP Central Committee Secretariat this afternoon between Brother Muhammad Sa'id 'Abdallah Muhsin, member of the YSP Political Bureau and secretary of the YSP Central Committee, and Comrade Manchev, director of the Arab Department at the Secretariat of the Bulgarian Communist Party Central Committee [name and title as heard]. [Passage omitted contained in referent item] [Excerpt] [Aden Domestic Service in Arabic 1900 GMT 12 Feb 86 GF]

OCAL SECRETARY GENERAL--Brother Salim Salih Muhammad, assistant secretary general and secretary of the YSP Central Committee, received at his office today Brother Muhsin Ibrahim, secretary general of the Organization of Communist Action in Lebanon [OCAL]. During the meeting, Brother Muhammad explained the nature and aims of the abortive coupist conspiracy led by conspirer 'ali Nasir Muhammad and his fascist clique on 13 January. He expressed gratitude for the solidarity stand adopted by OCAL toward our party and people concerning the tragic events encountered by our country. He affirmed our country's solidarity with OCAL and the Lebanese people's struggle against the Zionist occupation. He lauded the heroic operations carried out by the Lebanese National Resistance. [Text] [Aden Domestic Service in Arabic 1500 GMT 21 Feb 86 GF]

DEPUTY MINISTER APPOINTED--Brother Dr Yasin Sa'id Nu'man, member of the YSP Political Bureau and chairman of the Council of Ministers, issued a decree of the Council of Ministers appointing brother Muhammad Muhsin Muhammad Gharadi as deputy minister of labor and civil service. [Excerpt] [Aden Domestic Service in Arabic 1500 GMT 24 Feb 86 GF]

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PAPER COMMENTS ON ECONOMIC TALKS WITH USSR

GF281114 Sanaa Domestic Service in Arabic 0430 GMT 28 Jan 86

[From the press review]

[Text] Commenting editorially on the meetings of the first session of the joint YAR-SOVIET committee for economic and technical cooperation, the newspaper AL-THAWRAH says: These meetings come in concomitance with the series of steps of firm and profound cooperation between the two friendly countries. This cooperation is clear, principled, and firmly-rooted, based on historical Yemeni-Soviet relations. They are among the oldest of Soviet-Arab relations. These relations, which abound with important and fruitful results, acquire from history characteristics of being profound and continuing. These relations were entrenched with the launching of the immortal 26 September revolution which opened broad horizons before our people and before the development of our country's relations with all countries, including the Soviet Union, which has had a role in bolstering our revolution. The Soviet Union has adopted clear positions. It has helped to prop up national construction and development in our country.

AL-THAWRAH asserts that the session of the joint committee for economic and technical cooperation between our two friendly countries will be inspired by all the positive and important aspects that have been attained through the credibility of bilateral cooperation in the various fields. The joint committee will accomplish further progress in the field of developing and reinforcing relations of bilateral cooperation in the economic and technical fields. Many achievements have been realized in these fields. This is regarded as a right image of the existing and harmonious cooperation which is dominated by the basic principles on which Yemeni-Soviet relations have been based throughout their lengthy history.

Concluding, AL-THAWRAH says: From this view which is based on clear facts, according to which relations between our two countries were consolidated, it is evident that the first sessions of the joint committee for economic and technical cooperation will attain the goals aspired by the two sides in such a way that guarantees further development of the firm and historic relations between the two friendly countries so that the spirit of cooperation and the beauty of historic cooperation will continue to provide impetus for further consolidation of Yemeni-Soviet relations and promote them further.

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YEMEN ARAB REPUBLIC

BRIEFS

ECONOMIC COOPERATION WITH NETHERLANDS--The minutes of an economic and technical cooperation meeting of our country and the Netherlands was signed today at the central organ for planning. The minutes concerned the allocation of $24 million for 1986 to finance projects currently underway in various fields and the new projects in the agricultural, water, health, industrial, and social fields. [Excerpt] [Sanaa Domestic Service in Arabic 1700 GMT 27 Feb 86 GF]

ARAB FUND LOAN--An agreement was signed in Abu Dhabi today between the YAR and the Arab Monetary Fund [AMF], whereby the AMF will offer a $13.7 million loan to support our balance of payments. [Excerpt] [Sanaa Domestic Service in Arabic 1700 GMT 2 Mar 86 GF]

USSR YOUTH OFFICIAL--Mommadov (Shan) [name as heard], deputy chairman of the Committee of Youth Organizations of the USSR, arrived in Sanaa this evening on a visit to our country. The visit is in response to an invitation extended to him during the 12th world youth and students festivals held recently in Moscow. He will acquaint himself with the youth achievements and installations and will hold several meetings with officials of youth activities in our country that will focus on cooperation between the Supreme Council of Youth and Sports and USSR youth organizations. He was received by Muhammad al-Faqih, chairman of the youth organ, and a number of officials at the Supreme Council of Youth and Sports. [Text] [Sanaa Domestic Service in Arabic 1830 GMT 2 Feb 86 GF]

COMMANDERS' TRAINING INSTITUTE--A presidential decree was issued today establishing an institute to train and qualify commanders to replace the military center. The institute will train and qualify commanders and provide them with military cultural, and scientific, information. It will be based in Ta'izz. [Summary] [Sanaa Domestic Service in Arabic 1830 GMT 29 Dec 85 GF]

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CSO: 4400/118

BIZENJO SAYS MRD TO CONTEST FUTURE ELECTIONS

Karachi DAWN in English 12 Feb 86 p 4

[Text] MUZAFFARGARH, Feb 12: Mir Ghaus Bakhsh Bizenjo, PNP chief, has said that we did not believe in personalism and we always sacrificed for people's rights and liberties, and democracy".

Addressing the District Bar Association, chaired by Sardar Manzoor Ahmed Khan, President of the Bar, Mir Ghaus Bakhsh Bizenjo said: "PPP had dissolved our lawful government by using unconstitutional tactics and we fought against it for four years. But now we have joined hands in the larger interest of the nation and the country."

The PNP chief disclosed that he was trying to give a better shape to MRD, to contest the elections to serve the people jointly.

He said that he was identified first of all as an "Insan", after that a Baluch, then a Pakistani and later as Muslim.

Replying a question he said that he was not in power. "How can I sell my homeland to USSR" he said. However, he said, "our rulers had sold the country to the United States."

He said that he was aware of problems of Punjabis and they are in more trouble than other provinces. However, its bureaucracy and Generals in power had looted the small provinces.

He said that Punjab has a bigger population to snatch our bread. He said that MRD was stronger than ever and registration of Tehrik-i-Istiqlal would not affect MRD's unity.

He said that he was not stabbing Punjab in the back by supporting the slogan of "Seraikistan" as it was the need of the hour and we should not shut our eyes to escape from facts.

He stressed the need for an organised struggle against the present regime and said that resolutions and speeches cannot topple the dictatorial rule.

He warned that Pakistan was on the verge of collapse as all supporting pillars had razed to the ground but our rulers were seeing the situation with coloured glasses.

He said that our country was facing a worse crisis of its history as Martial Law regime had shattered its economy and pushed it back to disaster.

He alleged that Afghanistan was a Muslim neighbouring country but we are fighting the war of America against Afghanistan. He said that the present regime failed to establish friendly ties with its neighbouring countries due to its hypocratic policies. He said that tension is prevailing in different sections of the society in the country which caused separatists movements and slogans of confederation etc.

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CSO: 4600/232

SBPF MEETING URGES 'CONFEDERATION PLAN'

Karachi DAWN in English 12 Feb 86 p 8

[Text]

KARACHI, Feb 11: The Sindhi, Baluch and Pakhtoon Front (SBPF) at a meeting held at the residence of Mr Nabi Bakhsh Bhurgari, Secretary-General of the Front in Sind, reiterated that the 'confederation plan' provided a solution to the country's problems and any other formula of provincial autonomy fell short of the expections of the people.

The meeting, presided over by Mr Mumtaz Ali Bhutto, expressed concern over the deteriorating law and order situation and demanded immediate release of Messers G.M. Syed, Rasool Bakhsh Paleejo, Jam Saqi, Jamal Naqvi, Rafiq Safi Munshi, Masroor Ahsan, Khalil Qureshi and other students implicated in the Thori firing case.

The meeting decided to organise the Front at district level; begin mass contact campaign, not to get registered under the Political, Parties Act and to only submit its accounts after seeking experts' opinion on the subject.

Earlier, Mr Mumtaz Ali Bhutto had a two-hour long meeting with Mr Hussain Bakhsh Narejo, Acting Convener of the MRD and discussed the political situation with him. Sardar Mehrullah Mengal, younger brother of Sardar Ataullah Khan Mengal, also called on Mr. Bhutto at his residence.

On Tuesday, Mr. Bhutto visited the Malir residence of Nasir Baluch who was executed last year for his involvement in the PIA hijacking case, and offered his condolence for the departed soul. Mr Bhutto also addressed the people gathered there and paid tributes to Nasir Baluch, says a Press release.

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JATOI SAYS PPP 'STANDS FOR FEDERATION'

Karachi DAWN in English 12 Feb 86 p 10

[Text] KARACHI, Feb 11: Mr Ghulam Mustafa Jatoi, President, Pakistan People's Party (PPP), Sind, reiterated that the confederation plan was in conflict with the basic programme of the PPP as "we stand for federation".

In an interview with PPI at his residence here on Tuesday evening, Mr Jatoi who returned here on Monday night from a week-long tour of upper Sind said: "Everyone has a right to give his political programme".

"The London-based Sindhi-Baluch-Pakhtoon Front (SBPF) have exercised their right and given their programme of confederation, he said, adding that we have also given our programme to the people. Now it is up to the people to accept it or not. However, he said: Ours is the largest national political party and we have full confidence and faith in the people."

DIALOGUE RULED OUT: Mr Jatoi ruled out any dialogue with the present Government and added that there was no basis for talks. "We do not recognise the present assemblies. The solution is immediate holding of elections on party basis. Any delay in this regard would be detrimental to the nation. The sooner the elections were held the better it would be", he observed.

LEFT UNITY: Asked whether his party would join the talks currently being held for the unity of the parties of the Left, the PPP leader said: "We believe in our own programme to attract the masses. If the Leftists parties reach a consensus and their aim is merger we wish them success. At this stage the question of PPP joining them in this regard is not under consideration".

REGISTRATION: Answering a question, Mr Jatoi said his party's central committee had decided at its recent meeting in Lahore not to get itself registered with the Election Commission. "We however decided to submit accounts of the party to the Election Commission. "There is no change in our decision on this issue," he added.

Replying to another question, he said the component parties of the MRD would be able to find some via media on the quantum of autonomy, the permanent structure, election alliance and programme of the MRD at the next meeting of the central action committee of MRD to be held in Karachi on March 29-30. He said detailed discussions had been held in the MRD meetings on these issue and "We are making every effort to resolve them".

TEHRIK ISSUE: He regretted that the Tehrik-i-Istiqlal Chief, Air Marshal (Rtd) Asghar Khan was blaming the PPP for creating disturbance during his (Asghar Khan's) speech at Lahore during the MRD meeting on Jan 29. He said the fact of the matter was that the Tehrik workers were responsible for not allowing Air Marshal (Rtd) Asghar Khan to speak. "We cannot help this. Everyone is a witness to it. Just to cover his failure to having not been able to speak at the public meeting, the Tehrik Chief was blaming the PPP".

Asked to comment on the Tehrik Chief's decision not to attend MRD public meetings in future, Mr Jatoi said: "Air Marshal (Rtd) Asghar Khan had not attended MRD public

meetings in the past but came to attend the Lahore public meeting. The Tehrik Chief, however, expelled Malik Hamid Sarfaraz from his party for attending the MRD public meeting held at Lahore on Aug 14, 1985".

The PPP leader who had a meeting earlier with Mr Hussain Bakhsh Narejo, Convener of the MRD and a leader of Awami Tehrik expressed concern over alleged wrong medical treatment given to Mr Fazil Rahu in Landhi jail and his shifting to Sukkur jail few days back under mysterious circumstances. He demanded a judicial inquiry into the matter.—PPI

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CSO: 4600/231

PUNJAB PPP CHIEF VISITS LONDON TO TALK WITH BENAZIR BHUTTO

Karachi DAWN in English 14 Feb 86 p 19

[Text] LONDON, Feb 13: Mr Jehangir Badar, President, Punjab PPP, reached London on Tuesday to discuss provincial party affairs with Miss Benazir Bhutto.

He was received at the airport, among others, by Mr Nazim Hussain Shah, Finance Secretary of the Punjab PPP, who had arrived here a few days earlier for the same purpose.

The two were said to be having differences between themselves, but told the PPP sources in London after their meeting on Tuesday they had sorted out these differences and had now decided to work together in the larger interests of the party.

Our Lahore Bureau adds:

Immediately after assuming the office of acting president of the Punjab PPP following the departure of Mr Badar, Mr Mansoor Malik reinstated 35 party leaders and workers of Lahore, Multan, Kasur, Gujranwala, Wazirabad and Sheikhupura, suspended by various district and town organisations under the instructions from the Punjab leadership.

Addressing a news conference here on Wednesday Mr Malik said "the decision is in the best interests of the party". He said he was confident that this step would not be opposed by the acting chairperson. He also said that the party workers were not opposed to the nominations made by Miss Bhutto but had the right to differ on certain issues.

Mr Malik's decision can spark off a controversy when Mr Badar returns home. The reinstatements have been made because the suspended workers were not given an opportunity to defend themselves. The acting president said that he had studied the cases of the workers and reached the conclusion that "injustice" had been done to them. He said that the "victimised" workers had full faith in the leadership of Begum and Miss Bhutto and they had nothing to do with the controversial group. Their group is PPP and none else", he added.

A large number of leaders and workers, believed to be "angry" with the Punjab leadership, were present at the press conference. They applauded Mr Malik and garlanded him.

Mr Mansoor Malik said that he was sending his decision to Miss Bhutto for ratification, hoping that she would be "highly pleased" with it. He said that he was not overruling the decisions of the Punjab president as he was not empowered to do so. As for the suspensions, he said they were made by various district and town organisations

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MINISTER ADMITS TO LIST OF PERSONS BARRED FROM FOREIGN TRAVEL

Karachi DAWN in English 11 Feb 86 p 2

[Text] ISLAMABAD, Feb 10: The Interior Minister, Mr Aslam Khattak on Monday admitted that an exit control list did exist to stop some persons from going abroad. However, he did not disclose the names of the persons on that list adding that the number was below 70.

The Interior Minister was speaking on an adjournment motion tabled by Maulana Kausar Niazi who wanted to discuss the purpose of maintaining such a list.

Mr Aslam Khattak said that the list had not been introduced by the present government but "was inherited" maintaining that the said list did exist even when Maulana Kausar Niazi was in government during the PPP regime.

He said the list was not prepared by the Federal Government but the names were provided by the provincial governments and the centre was "just carrying out their wishes". He said that when a provincial government feels that the exit of a certain person from the country was not in its interest, it sends the name of the person to the Central Government for circulating the same to all the exit points, including the airports.

Replying to a supplementary question, the Interior Minister assured that the list has not been since revised.

The Interior Minister also narrated an incident in which his wife was also stopped at the Karachi Airport from going abroad as her name was also included in the said list.

Earlier, Maulana Kausar Niazi tabling the adjournment motion said that Mr Iqbal Haider has claimed that the Government was maintaining a list of 70 persons which was a violation of the constitution. He maintained that the political leaders should be allowed to visit abroad without imposing any restrictions on them adding that "what harm can they make."

The speaker ruled the motion out of order.

Another adjournment motion tabled by Abdul Rahim Mirdad Khel was also ruled out of order by the chair. It related to the recent mine explosion in Chamman. The Interior Minister opposing the motion said no such incident had occurred in Chamman.

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LAW OFFICERS GIVEN TRAINING TO MAN QAZI COURTS

Karachi DAWN in English 12 Feb 86 p 4

[Text] ISLAMABAD, Feb 12: The Shariat Academy has imparted training to 520 law officers connected with the administration of justice in the country to man the Qazi courts.

This was stated by the Director General of the Shariah Academy of the International Islamic University, Prof. Qayyum Qureshi, here on Wednesday. He said the trained officials include District and Sessions Judges, Civil Judges, police officials, public prosecutors, district attorneys, and executive officers.

These officials have been trained in 14 courses being organised since 1981 by the Shariah Academy which was assigned the task of application of Islamic judicial system by training the members of the judiciary and allied professions in Islamic laws and by giving them a clear concept of justice in Islam.

Mr. Qureshi said that the Academy has planned to offer more courses of longer duration in accordance with the needs of the country and other parts of the Muslim world.

He announced organisation of the first international course for the training of judges and lawyers of the Muslim countries, especially the Muslim minorities in non-Muslim countries in September this year.

Elaborating the methodology of the courses, he said, instructional programmes are aimed at introducing the participants to various branches of the Shariah law through the original sources, as far as possible, and enabling them to develop a clear understanding of the Islamic laws already enforced in Pakistan and also those which are proposed to be enforced in the near future.

This includes a comparative study of the Islamic and non-Islamic principles of law as well as their practical approach to the problems of day-to-day life, he said.

The Director General said that the Academy has been engaged in the development of methodologies for training, research, and advanced studies in Islamic law and allied disciplines besides publishing monograms, reports, journals and necessary material.

He said besides pre-service and in-service courses of varying duration, the faculty of law and Shariah was also holding regular classes for LL.B., honours in order to produce young people in the field of Islamization of the judicial system.—APP

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DISCOVERY OF GAS OFF KARACHI SHORE REPORTED

Karachi DAWN in English 12 Feb 86 p 1

[Text] KARACHI, Feb 11: Pakistan's maiden offshore drilling venture, 129 km south of Karachi, has resulted in discovery of gas and condensate, informed sources told *Dawn*.

They said 3.4 to 3.7 MMCFD of gas had been found at a depth of between 2,743 to 2,747 metres while a small quantity of condensate was discovered at 500 psi well-head pressure and 7,085 psi formation pressure.

A senior OGDC official described the reservoir under the well called Pak-Can-I as of "good quality" and said Canada had agreed to further assist Pakistan in offshore exploration.

The gas discovered contains 97 per cent methane, 0.3 per cent ethane, traces of propane and 2.7 per cent carbon dioxide, sources said.

Officials said in view of the successful completion of the offshore operation, Pakistan had decided to further carry out geological and geophysical surveys and exploration in a 5,000 to 7,000 square km offshore area.

They said Petro-Canada had agreed to give a vessel *mv Bernier* to Pakistan for the next round of surveys and exploration.

"The offshore drilling has confirmed that Pakistan's offshore areas are potentially hydro-carbon bearing and further interpretation and evaluation of the data obtained would be carried out," OGDC officials said.

Drillship *Danwood Ice*, a 23,000-ton Danish vessel, had begun underwater drilling on Oct 11 last year when Prime Minister Mohammad Khan Junejo formally inaugurated the project.

Canada's international development agency, CIDA, provided a 30-million Canadian-dollar (21 million US dollars) assistance to Pakistan and sources said the cost of further surveys would be financed by the Canadians.

Drilling at Pak-Can I was carried out at a depth of 3,700 meters as against the projected 3,500 meters, sources said.

Experts were still working out the total cost of the project so far, but a senior OGDC executive said it would be within the amount of the Canadian loan of 30 million dollars (Canadian).

Officials said *Danwood Ice* had completed its mission and had left the offshore site.

The discovery of gas in the offshore areas is being considered by oil exploration experts as a major achievement for Pakistan since the results obtained have indicated that Pakistan had a rich potential.

Officials, however, said the present size of the gas discovery was not economical to be extracted, but the mere presence of gas had opened up vast avenues of further exploration.

The Canadians, officials said, were prepared to assist Pakistan to any extent as they now know that future ventures would not be fruitless.

Experts said for any meaningful purpose, the oil or gas discovery in offshore areas has got to be of a size which can justify the infrastructure and other costs of extraction and transportation.

However, they said, Pakistan was now in a position to launch a major capital-intensive drive for locating the bigger reservoirs in these areas.

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GWADUR TO BE DEVELOPED AS COMMERCIAL PORT

Karachi DAWN in English 12 Feb 86 p 3

[Text] Coastal town of Gwadur in Baluchistan is planned to be developed as a commercial port like Karachi. This was stated by Mohammad Ibrahim Baluch Federal Minister of State for Communications here on Monday.

Mr. Ibrahim Baluch who was talking to newsmen soon after he flew into provincial capital on his first visit to Quetta as a member of newly installed central cabinet said that development of Gwadur as a commercial port with all necessary facilities would go a long way in boosting economic activity in area. He said that he had made some concrete suggestions to Prime Minister Mohammad Khan Junejo about viability of the scheme and added that it had been incorporated in the party menifesto of Pakistan Muslim League.

Mr. Ibrahim Baluch in reply to a question ruled out the possibility of making Telegraph and Telephone Department as a corporation. T&T Department, he pointed out, was one of the biggest profit earning organisations of the government and as such he did not think that it should be changed into a corporation. Similarly, he told another questioner, that there was no proposal under consideration of government for transfer of telephone exchanges to private sector.

Federal Minister of State for Communication when asked about the possibility of introducing steamer service between Karachi and coastal towns of Baluchistan said that he would look into such a proposal during his visit to coastal areas in near future. Ibrahim Baluch was accorded an enthusiastic reception at airport and was received by Provincial Chief Minister Jam Mir Ghulam Qadir Khan, Ministers, members of Provincial Assembly and a large number of people drawn from various walks of life.

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CSO: 4600/231

DEMAND FOR SERAIKI PROVINCE SAID GROWING

Karachi DAWN in English 12 Feb 86 p 4

[Text] MULTAN, Feb 11: The convener of Seraiki Sooba Mahaz, Qari Nurul Haq Qureshi, has demanded provision of opportunities for the promotion of regional languages and progress and prosperity for people of all areas in Pakistan.

Addressing a Press conference, he said it is unjustified that the people of some particular areas were being given proper attention and were provided with special facilities for their progress, while most of the backward areas had been ignored.

He said the Seraiki Sooba, if established, would be against all prejudices of regional, linguistic and sectarian feelings and would be in support of rights to all oppressed and weak sections of people.

Moreover, he said, with the creation of Seraiki Sooba, feeling of deprivation existing among the people residing in backward areas, will be eliminated and in this way the country will prosper.

Qari Nurul Haq said a period of two years has passed since the formation of Seraiki Sooba Mahaz, and the organisation has gained full support from almost all sections of people in the country.

He said the demand for Seraiki Sooba was of the people of Multan region consisting of Multan, DG Khan and Bahawalpur Divisions including same areas of Sind Province.

He said that for the survival of Pakistan division of Punjab Province was a must.

STUDENTS' PROTEST: Students of various educational institutions in Multan staged demonstrations and held meetings to press for the acceptance of their demands.

Student leaders delivered speeches at the meetings and said that the problems of students have increased due to continued curbs on their unions and their activities.

They demanded immediate lifting of the ban on their unions and immediate solution to all the problems being faced by them.

The meetings on Sunday and Monday, were addressed by Ashfaq Rajpoot, Khawaja Rizwan, Sheikh Tariq, Khalid Mumtaz Noor and others.

JUI DEMAND: Local leaders of the Jamiat Ulema-i-Islam, including Sheikh Mohammad Yaqoob and Saleem Leghari, have, in a joint statement, demanded immediate withdrawal of orders recently imposed under Section 144, within the revenue limits of Multan District.

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REPORT PROVIDES DETAIL OF TRADE TALKS WITH INDIA

Karachi DAWN (Economic and Business Review Supplement) in English 13 Feb 86 pp I, IV

[Text]

ISLAMABAD, Feb 12: The Government today held out a firm assurance that all its efforts to normalise relations with India, including promotion of trade, would be solely guided by national interest and country's honour and dignity.

The assurance was given by the Federal Commerce Minister, Prince Mohyuddin Baluch and Sahabzada Yaqub Khan while making policy statements in the Senate during a debate on an adjournment motion earlier admitted for discussion on trade relations with India.

The Minister said that relations with India were being normalised on overall basis and were not merely confined to trade.

Allaying members apprehensions who feared that trade with India would not benefit Pakistan, they said while entering into any agreement, Pakistan's interest and basic aims would be strictly and fully safeguarded.

The adjournment motion, which had been moved by Maulana Samiul Haq and was admitted for discussion was talked out after a long debate in which, besides the two Ministers, several members also participated.

COMPLEX: While alluding to some members' statements that while forging trade relations with India, Pakistan's Islamic character would be jeopardised thus making it a secular state, the Foreign Minister said this was a travesty of truth. "Either some members are suffering from inferiority complex or do not fully know the facts," the Minister said adding Pakistan was capable of safeguarding its national idenity.

He said a full-fledged debate had been held in the Parliament in which country's foreign policy was overwhlemingly endorsed by the members. This policy would be strictly followed and under no circumstances Pakistan would abandon its relations with Muslim countries and other friendly countries, nor it would compromise its basic stand on the question of Jammu and Kashmir and on other basic issues. The Foreign Minister, in his written statement said that Pakistan's policy of normalisation of relations with India had been consistent and steadfast. It was so because it was founded in objective realities and sought tension-free relations with India to promote an environment of peace and stability in the region, which served the best interests of the nation.

Sahabzada Yaqub Khan told the House that normalisation of trade with India was part of the overall policy of building new patterns of peace and cooperation in South Asia.

He said Pakistan had been pursuing normalisation with India in diverse fields. In 1981 Pakistan proposed to India the conclusion of a non-aggression pact on which some progress had been made in negotiations. Even earlier Pakistan had called for a regional or bilateral agreement to keep South Asia free of nuclear weapons. While this idea had not been given up, last December the two sides agreed to conclude an agreement prohibiting attack on each other's nuclear instalations, he said.

TRAVEL: The Foreign Minister said: These and other developments including improvements in travel and expansion of contacts in science and culture, testified to a turn for the better in Pakistan's relations with India. "I am confident that this trend is appreciated by the members of this House as it is by the people of Pakistan and indeed by Pakistan's friends abroad. Surely, it should be our effort to sustain and support this evolution, he said.

He explained trade was part of the package of relations between Pakistan and India. It would be incongruous and untenable to argue that trade should be excluded from the gamut of bilateral relations. Step by step and guarding national interests, we can advance in all fields, he added.

The statement given by the Minister for Commerce, he said, it made abundantly clear that the government's policy on this subject was guided by requisite caution and clarity, and that the limited opening of trade to which we have agreed, does not entail any risk of damage to Pakistan's economic interests. "Furthermore, this policy was subject to test and experiment. Periodically, it will be re-examined and reappraised in the light of experience".

He assured the House that normalisation of relations did not in any way imply any compromise on principles. The Government of Pakistan has not sacrificed and will not sacrifice our well known positions, he said.

PROTECTION: Earlier the Com-

merce Minister had said that Pakistan Government would ensure that in any trade agreement with India, protection is provided to the domestic industry and wide imbalance in bilateral trade is avoided.

He said any new agreement should be in the interest of the two countries and should also provide equitable and just market access for Pakistan products in the Indian market.

PROTOCOL: The Commerce Minister said trade with India was resumed in January, 1975 on the basis of trade protocol signed in November, 1974. This protocol envisaged state-to-state trading. Subsequently, while Indian side allowed the private sector to operate, on Pakistan side the exports and imports were conducted through the Trading Corporation of Pakistan. Import into Pakistan was confined to 42 items and there was no such list in respect of export to India. The list of 42 items of import was prepared in consultation with all concerned and taking into account the interest of the local industry. The main products included in the list of 42 items were tea, wood and timber, betel leaves, betel nut, ginger, tamarind, bidi leaves, spices, ferro alloys etc.

The Minister said during the past years trade with India remained at modest scale and the two-way trade did not exceed dollar 64 million in any year. (In 1984-85 exports were dollar 32.7 million and imports dollar 17.1 million). Pakistan also maintained a favourable balance of trade. The main items imported from India were tea, iron ore, bidi leaves, spices and betel leave and betel nuts. The main exports from Pakistan were raw cotton, cotton fabrics, urea, dry fruits and salt.

According to him several rounds of talks at technical as well as at higher level have been held with India and views have been exchanged on the framework for a bilateral trade agreement.

However, no agreement has been reached and the two sides maintained their positions. India is of the view that Pakistan should open its trade with it on the basis of the most favoured nation treatment. Pakistan feels that such treatment would adversely affect its nascent industry while the restrictive character of the Indian import policy would not provide equitable access to Pakistani products in the Indian market, he pointed out.

SCOPE: The Minister said bilateral trade issues were also discussed during the visit of former Finance Minister to New Delhi in November, 1985 and return visit of Indian Finance Minister in January, 1986.

The two sides agreed that there was considerable scope for the expansion of trade between Pakistan and India in the mutual interest of both the countries. It was agreed that efforts should be made to at least double the trade in commodities being traded by public sector import of 42 items being imported through the Trading Corporation of Pakistan.

He said imports were already being undertaken by the private sector but were routed through TCP for monitoring purposes.

No trade agreement was signed during the visit of the Indian Finance Minister to Pakistan and further dialogue between both sides will continue, he concluded.

Maulana Samiul Haq said in principle he agreed with having good relations with all the countries, but in case of India "we should keep in mind the historical perspective and proceed in its light."

He demanded that the Parliament should be made aware of all the details of the agreement and should be taken into confidence.

Shad Muhammad Khan said "we should be careful in our friendship with India especially in promoting trade with it.

Mr Ahmed Mian Soomro, said normalisation of Pakistan, India relations was an important aspect, especially trade promotion. He favoured the progress made in this regard, but reminded that this should not prove disadvantageous to Pakistani trade.

Professor Khurshid Ahmed was of the view that increasing trade activity with India should be taken in historical perspective. He said economy is not an isolated affair and is directly related with politics. "Our relations with India have always been sensitive and controversial and thus our trade activity with them should be pursued in the light of it."

Mir Nabi Baksh Zehri asserted that Parliament should be taken into confidence about the details of the agreement. He hoped that increasing trade activity will be beneficial for both the countries.

Qazi Hussain Ahmed, said that economic activity is not an isolated affair and is related with politics. Therefore, he said, we should be extremely careful in this regard.—

/13104
CSO: 4600/232

ECONOMIC COUNCIL APPROVES SEVERAL DEVELOPMENT PROJECTS

Karachi DAWN in English 14 Feb 86 p 22

[Text] ISLAMABAD, Feb 13: The Executive Committee of the National Economic Council met here on Thursday under the chairmanship of the Federal Minister for Finance and Economic Affairs, Mian Mohammad Yasin Khan Wattoo. The meeting considered as many as 70 development projects and programmes. It also reviewed the progress of the ongoing projects of national importance. The total cost of projects approved by the committee is estimated at Rs 25620 million.

In the transport and communications sector the committee approved 15 projects which include a scheme for providing 1700 long distance public call offices in the rural areas and constructions of an overhead bridge at Gari Shahu, Lahore.

In the education sector the committee approved the establishment of an institute of technology at Dera Ghazi Khan and a cadet college at Mastung in Baluchistan.

In the water sector two schemes to provide protection against floods in the Malir River were sanctioned. A second on farm water management project for the improvement and lining of water courses to prevent losses through seepage in all the four provinces were also approved.

A project aimed at development of aeronautical communications to achieve the level of international safety obligations for both domestic and international flights was also approved. It will be implemented at all airports of the country.

The committee gave approval to nine projects in the energy sector. These include the electrification of rural areas in Azad Jammu and Kashmir and a solar energy project at Kharan in Baluchistan.

In the physical planning and housing sector the Committee accorded approval to eight schemes under the Karachi Special Development Programme. These schemes include an improvement programme for Katchi Abadis which aims at ameliorating the lot of the people living in substandard conditions in the Katchi Abadis. Under the same package schemes pertaining to construction of two syphones and lining of Kinjhar — Gujjo Canal to improve the water supply position of Karachi were also approved.

The review of important projects placed before the committee were based on the findings of special monitoring constituted by the Planning Commission. The ECNEC issued instructions to the all sponsoring ministries and implementing agencies concerned including the provincial governments that the findings of the monitoring teams should be used as a feed back for improving the standard of apprisal and evaluation in order to develop an active linkage between the planning, programming and implementation of development schemes and programmes.

The meeting was attended by Federal Ministers for Commerce, Communications, Housing and Works, Production, Water and Power, Food and Agriculture, Education, Planning and Development, Chief Minister NWFP, Deputy Chairman Planning Commission, Secretary General, Economic Affairs, Federal Secretaries of Economic Ministries, senior officials of the provincial governments and a number of other high officials.—APP.

/13104
CSO: 4600/233

JUNEJO SAYS KHOKHRAPAR ROUTE TO OPEN SOON

Karachi DAWN in English 15 Feb 86 p 1

[Text] KARACHI, Feb 14: Prime Minister Mohammad Khan Junejo announced on Friday that Khokrapar border would be reopened soon to facilitate travel between Pakistan and India.

Addressing a public meeting here at Nishtar Park, he said this would be done in view of difficulties being faced by the people of Karachi and interior of Sind who wanted to visit their relatives in India.

He said the reopening of the border will take place very soon, as dialogue with India in this regard was expected to be completed shortly.

However, he said it was his promise that the border will be opened at all costs.

His announcement was received by the audience with great enthusiasm.

Reopening of the Khokrapar border has been a long-standing demand of the people of Sind and Baluchistan. Recently, in view of the Prime Minister's visit, various political and social organisations had taken up the issue once again. At the Nishtar Park meeting also several banners demanding reopening of the border were visible.

The Khokrapar border was closed down after the 1965 war with India. Khokrapar is the last border town of Pakistan. A branch line from Hyderabad to Khokrapar via Mirpurkhas is functioning regularly. Only the five-mile track to the Indian border has been abandoned.

Railway sources say the track upto the border was quite in order and only two rail-lengths, of 36-feet each, had been taken out with the closure.

Given the green signal by the authorities, the traffic can be resumed in less than 15 days, railway sources maintain.

The Indian station across the Khokrapar border is Monabao. From there, there is link both Delhi and Bombay.

/13104
CSO: 4600/233

INDEPENDENT PARLIAMENTARY GROUP CRITICIZES ADMINISTRATTON

Karachi DAWN in English 15 Feb 86 p 10

[Text]

RAWALPINDI, Feb 14: As many as nine members of National Assembly and Senators belonging to Independent Paliamentary Group at their first-ever public meeting in the city on Friday vowed to continue their fight against discontent and disorder the country was seethed with.

Presenting an extremely gloomy picture of the country before a crowd of about 5,000 they said it was the result of rulers irrational policies.

They threatened to quit the House if they failed in setting the things back in order within a few months.

The long period of Martial Law in which masses lived for over eight years had given birth to numerous issues they said, and unanimously demanded revival of trade unions and students union activities.

The IPG men also asked the rulers to allow to come-back all political leaders and workers who had been compelled to go abroad.

They criticised Prime Minister Junejo's PML which, they said was the smallest political party and consisted of fuedal lords and imperialists.

Haji Saifullah, the Leader of IPG said, his group stood for a true democratic setup in the country for which they fought in the House against despotism and repression.

Sheikh Rashid said that the IPG will take all possible steps to eliminate the bureaucratic and fuedal system in the country. Military bureaucracy, he said, had also disrupted the democratic values and norms. He asked the rulers to withdraw the sentences against the political workers given by military courts.

Syeda Abida Husain said that the hard fact was that communication gap between the masses and the ruling class widened during the past few years simply because of over-all national setup.

Senator Tariq Chowdhary said, if the rulers were really sincere in promoting a true democratic system, they should not hestitate in lifting the ban from various trade unions which included PTV, PBC, PIA and students union in the country.

Raja Shahid Zafar said the name of Islam was exploited by the rulers during the past eight years only to grind their own axe.

Those who addressed the gathering included, Satwat Sher Ali, Sher Afzal, Sahibzada Noor Hasan and Javaid Hashmi.

Heavy armed-police was posted on either side of the park where in order to keep an eye on outsiders who might attempt to disrupt the gathering.

/13104
CSO: 4600/233

BRIEFS

JUNEJO TO VISIT AJK--Prime Minister Mohammad Khan Junejo will undertake a detailed tour of Azad Jammu & Kashmir in April this year. Disclosing this the AJK Prime Minister Sardar Sikandar Hayat Khan said that Prime Minister Junjo has accepted the invitation to visit Azad Kashmir. He said the fourthcoming tour of Mr junejo will be of far-reaching importance for this area. Sadar Sikandar Hayat said that the elected Government of Pakistan has assured to increase the development funds for Azad Kashmir. During his recent meeting with Mr Junejo, several matters relating to the problems of Jammu-Kashmir refugees, the Mangla Dam affectees, provisions of development funds, and summoning of the AJK Council meeting were discussed in detail, he said. Sardar Sikandar Hayat, who is also the president of ruling All-Jammu Kashmir Muslim Conference, revealed that the two-day annual convention of his party will be held in Mirpur on March 7. An organising committee headed by a Minister has been constituted to finalise arrangments for the convention. AJK Premier revealed that a conference of editors of weeklies and periodicals of Azad Kashmir will be held in Mirpur in mid-March to look into problems of Kashmiri editors. [Text] [Karachi DAWN in English 12 Feb 86 p 4] /13104

ZIA OFFERED PARTY OFFICE--Mr Tanweer Husaini, Chairman of newly registered Ghareeb Awam Party, told pressmen on Tuesday his party would be lucky if President Zia-ul-Haq could join him. President Zia, he said will be given highest office in the party, Mr Husaini said. Mr Husaini has also asked the Government to cut down the expenses of over Rs 16 lakh being spent daily on the Members of the National Assembly. [Text] [Karachi DAWN in English 12 Feb 86 p 4] /13104

CSO: 4600/232

END

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20 March 1986

Near East/South Asia Report

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INTERIOR MINISTER SEES NO INTERNAL THREATS TO EGYPT

Cairo AKHBAR AL-YAWM in Arabic 25 Jan 86 p 3

[Interview with Lt Gen Ahmad Rushdi, minister of the interior, by Sana' al-Sa'id: "Talk About Mosad Infiltration of Egyptian Security: Prattle and Nonsense. And if Confirmed: Then I Will Leave My Position"; in Cairo, date not specified]

[Text] In a comprehensive political security interview with AKHBAR AL-YAWM, Interior Minister Lieutenant General Ahmad Rushdi talked about terrorism and the way to contain it. He denied that Egypt is the source of any terrorist operations or the instigator of security threats, saying that the Egyptian citizen is bent on preserving Egypt's security and stability, internally and externally. The interior minister attacked the group which is trying to cast doubts on Egypt's security in an attempt to slander it with lies and allegations about Mosad by claiming that Mosad has infiltrated Egyptian security. He said it is a sin to slander our security with such groundless lies.

Ahmad Rushdi emphasized that Egypt is always seeking to endorse the Arab position and follow a good-neighbor policy and settle any pending disagreements. He expressed his hope that neighboring countries will overcome any security wrangles in the general interest of the region.

He called for the creation of an international force for combatting terrorism and for a united stand by countries to define ways and means to combat terrorism and punish kidnappers. He said that security officers in Egypt have absolute authority to adopt any measures to tighten the blockade against terrorism and terrorists.

[Question] The reputation of security agencies in Egypt has been tarnished by incompetence in August of last year, 1985, when an Israeli diplomat was assassinated in Egypt, and the perpetrator is still at large. What is your opinion?

[Answer] It cannot be said that failure to identify the perpetrator in the Israeli diplomat incident tends to harm the reputation of Egyptian security. Many security cases outside Egypt take 2 to 3 years before the perpetrator is caught. It is difficult to put a deadline on any case for security may

catch the perpetrators in a short time or it may take a much longer time. This is no reason, however, to accuse security of incompetence and deficiency. No one has said, nor has it happened, that we have suffered any security failures so far. We thank God because we have succeeded in several fields. The case you raise is still under investigation and prosecution and we have many leads concerning it. I cannot say more than that. All I can say is that the matter needs time.

[Question] Does this mean that the case has not been closed?

[Answer] Of course not. Failure to achieve any results so far does not mean that the case has been closed and forgotten. I am optimistic that, God willing, we will achieve some results on the basis of some leads in my possession. But I will not rush into it because I must substantiate the evidence against the perpetrators before making any announcements. But the fact that we have not made any announcements does not mean failure or incompetence.

[Question] When this incident occurred, the name, "The Egyptian Revolution Organization," which claimed responsibility for shooting the Israeli in June 1984 and assassinating the other Israeli diplomat in August 1985, was mentioned. Does this organization exist or have your investigations proved without a shadow of a doubt that there is no such organization?

[Answer] There is no such thing as the Egyptian Revolution Organization. Allegations which sprang up following these two incidents are repeated anywhere in the world. Groups under any name rush to claim responsibility for a certain action to make a name for themselves. We do not go by such claims, but rather proceed according to scientific methods and systematic plans within the legal framework, while gathering evidence to strengthen the indictment against those persons whose involvement in such matters is actually established.

[Question] I wonder if terrorism today has become a reality with which we must live?

[Answer] Yes, Egypt is still subject to terrorist attempts which are all engineered abroad in preparation for exporting them at the appropriate time to Eygpt. I do not hide the fact that I have much information about various attempts. We are also pursuing many matters, as usual, as we have stated in previous incidents. But we must maintain silence until zero hour. The purpose is to have conclusive evidence against the perpetrators to warrant their arrest and prosecution.

[Question] From a purely security standpoint, what sides pose the biggest threats with regard to Egypt?

[Answer] Our neighbors, one in particular which still poses a security threat.

[Question] All this talk about a neighboring country, without offering irrefutable evidence, is liable to cause Egypt to be accused of using this

country as a scapegoat. The main problem seems to lie in that, notwithstanding all the charges that have been cited, there is no irrefutable evidence that this neighboring country is actually involved.

[Answer] I disagree with you completely. You say there is no evidence against this particular country and I say is not the last group which was arrested in the Alexandria operation with its explosives when it was on the verge of committing its crime enough proof of this country's involvement? Indeed, the president and the authorities of this particular country acknowledged full involvement at the time because they could find no way to deny it and no way out. Otherwise, they would have denied and disavowed any involvement. The perpetrators were citizens of this neighboring country and belonged to its popular defense army. They were carrying personal identity cards and gave a full confession. What is more, their confession was not limited to their crime, but included other incidents in many European countries: England, France, Italy, West Germany, and also Nigeria. These were full confessions and I relayed this information in due time to security officials in these countries.

[Question] Is there collusion between this neighboring country and other countries in the area headed by Iran and Syria, which seem to be moving within the framework of the so-called strategic alliance?

[Answer] I must not answer such a question before obtaining sufficient evidence about who is involved with the neighboring country in incidents and attempts that are being exported to us. Accordingly, the answer is always determined by the kind of information at our disposal.

[Question] Is this information sufficient to point an accusing finger at their neighboring country and no other?

[Answer] There may be good coordination between these countries. I do not say this from a vacuum, but rather on the basis of their neighboring country's actions against us. The whole world is aware that they exchange information and designs. There is aid involved as well, but it has been positively proven that the side involved in terrorist operations is this neighboring country. Generally, Egypt seeks to endorse the Arab position and promote a good neighbor policy and settle any pending arguments, out of a sense of duty to the Arab nation and as one of the countries of the region. We hope that, in the framework of meetings and rapprochement with our neighbors, the countries of the region will overcome these security wrangles for the sake of the cause and the Arab nation. Public interest in the region demands unity and rapprochement and the mending of any pending rifts.

[Question] There is always much talk about security threats exported from abroad. Does this mean that you have no fears of locally-hatched terrorism which can turn the country into another source of security threats facing Egypt?

[Answer] I say clearly that there are no security fears from within. We have full confidence in the Egyptian citizen who is intent on preserving Egypt's security and stability and is always quick to aid the police in security matters. Allegations about security fears from within are spread by organs that represent some political tendencies which do not acknowledge any successes and always try to cast doubt on and defame anything and anyone.

[Question] Recent terrorist actions are nothing but one incident in a long series of attacks which the region has and will continue to experience. What measures can be adopted to contain terrorism, especially since condemnation is no longer enough and there is a need for stricter and harsher measures?

[Answer] This is a security tactic that cannot be disclosed. It must take place away from and in the absence of the masterminds of such terrorist actions and operations. In confrontation, we conceal all our steps and modes of operation. I can only say that we are extremely vigilant and are taking measures that are liable to prevent and deter terrorism.

[Question] Observers of the international scene today believe that an era of increased terrorist activities has actually begun. What is your opinion?

[Answer] This is what is actually happening. There is worldwide activity which is not confined to any particular side or country. I can say though that no country in the world is immune to terrorism. This is what prompted the convocation of the African interior ministers conference last year in Cairo during which we condemned terrorist operations and decided to institute a system of cooperation and exchange of information to contain terrotist attempts, regardless of their source. We condemn terrorism 100 percent and, therefore, look for more cooperation, integration and exchange of information with any country to stop terrorism.

[Question] But have practical steps actually been taken to support such cooperation and can it be said that Egypt has in fact opened the umbrella of cooperation between it and specific countries?

[Answer] We believe, and this opinion is shared by others in the Arab world, Africa and Europe, that Egypt is a pioneer in the field of cooperation with seucrity agencies in various countries which it supplies with much information. Although we supply these countries with all kinds of information, we do not get 1 percent of what we offer. Egypt does not conceal anything and relays every single fact it receives to competent security agencies for appropriate action.

[Question] There is a realization nowadays of the need for international cooperation regarding international steps to be taken to contain countries that give legitimacy to terrorism. What do you propose in this regard and what kind of measures can be adopted on the security level?

[Answer] I imagine that the method we are following nowadays is the best system. Any facts coming in to security agencies about terrorist attempts

against any country are immediately relayed in detail to competent security agencies for appropriate action in accordance with special individual circumstances to foil the operation. More important, however, is that such cooperation must move forward and expand in such a way as to convince countries not only to safeguard their own position, but to go beyond to protect other countries as well. I may protect myself against terrorism coming in from one source only to face it from another source. Therefore, and so that the confrontation with terrorism may be complete, there must be good cooperation among nations. Moreover, there must be an international agreement among nations regarding the need to extradite terrorists whereby countries pledge to extradite wanted terrorists, even if they are their own subjects, because this is the way to restrain a terrorist and make him feel that he will not escape punishment for any operation.

[Question] To guarantee this, extradition treaties must be signed ahead of time. The absence of such a treaty prevented Malta from extraditing to Egypt the only terrorist in the Egyptian hijacking.

[Answer] This depends on the special circumstances of each country. I say here that we fully appreciate Malta's present situation and know how much pressure it has to endure from a neighboring country which exercises influence on it through its own elements there. There is good cooperation between us and Malta in the field of information exchange.

[Question] Does this mean that you feel no bitterness toward Malta's refusal to turn over to you the only Egyptian hijacker?

[Answer] There is no doubt that this matter did not sit well with us, particularly since we had cooperated with Malta in turning over the two Maltese citizens who were accused of attempting to assassinate Al-Bakkush. Hence, we were hoping that Malta would cooperate with us by extraditing the terrorist.

[Question] At a time when the general picture suggests that Libya is the leader of terrorism, one may wonder in return about recent rumors about the possibility of Israel, through the Mosad, undertaking terrorist operations inside Egypt, including the allegation by the Egyptian opposition that Mosad slipped into Egypt to kill Sulayman Khatir.

[Answer] It is pure nonsense and foolishness to say that Mosad can slip into Egypt to commit a crime and hatch an assassination plot. I maintain that if this can be proven I will give up my position. We must not slander security with such groundless and reckless lies. This purely hearsay similar to the claim that an Israeli journalist succeeded in entering the military prison to kill Sulayman Khatir. This is completely unfounded. No Israeli journalist got to Sulayman Khatir and neither did Mosad infiltrate Egyptian security. These are all biased rumors targeted against security in Egypt. It is a sin to slander and stir up doubts about our security which has become an object of pride worldwide.

[Question] What do you think about the benefits of economic sanctions? Are they enough to contain terrorism or must they be linked to other political, military and security sanctions?

[Answer] Each country must follow the path it deems appropriate. I do not comment on the conduct of any country.

[Question] In talking about the creation of an international force, some called for the conclusion of an agreement to create an international force to counter any kind of terrorism. What do you think?

[Answer] Nations can agree on an international group for combatting terrorism made up of specialists in terrorism, interrogation, and countermeasures to handle any operation anywhere in the world. This is the way I see it. On the other hand, however, countries of the world must adopt a specific position to formulate ways and means to combat terrorism and punish kidnappers.

[Question] The Abu Nidal group undertook 20 perations in 1985 and it has been established that it has bases in Syria and Libya, benefits from its contacts in Iran, and enjoys the assistance of certain parties in Europe. The question is, do you have sufficient evidence regarding the Abu Nidal organization and have you established whether Abu Nidal is a living entity or just a symbol?

[Answer] It has been said that he is alive and it has been said that he has died of cancer and that his name is being used in terrorist operations. Recent information says that he is alive and moves between a number of Middle Eastern countries and that he is now in one of the countries in the region. What has been established by the security agencies in the world is that Abu Nidal's name is associated with all terrorist operations, the ones carried out in Europe in particular.

[Question] Some people are calling for the enactment of laws that give security officers a free hand in combatting terrorism. Do you need to take such a step in Egypt or do existing laws give you the right amount of freedom at the right time?

[Answer] Security officers do have a free hand in taking any measures necessary to safeguard security. Indeed, the People's Assembly has agreed to uphold the emergency law, provided that it is enforced in terrorist cases only. I think it is the epitome of freedom for security agencies to adopt any part of the emergency law or the regular law in any terrorist attempt.

[Question] Does this mean that you operate with sufficient ease and flexibility and do not need to enact any other laws to support your actions in the security field?

[Answer] There is an established balance which we observe. If I need the emergency law, I will use it immediately and if I find that I can do without

it, even in terrorist cases as has been the case in the past--and the attempt can be foiled under the regular law--so be it because I am very intent on enforcing the regular law whenever possible. However, if I feel a need to resort to the emergency law, I will not hesitate to do so, especially in the presence of so many different types of attempts under investigation by security agencies which will not be announced until all the facts have been uncovered.

12502/6662
CSO: 4504/183

MUBARAK VISIT HIGHLIGHTS INTERNATIONAL BOOK FAIR

Cairo AL-AHRAM in Arabic 22 Jan 86 p 6

[Article by Husayn 'Ashur: "Mubarak Opens Largest International Book Fair. President at AL-AHRAM Pavilion: Words Cannot Express My Feelings Toward This Great Pioneering Institution"]

[Excerpt] President Mubarak yesterday opened the largest international book fair in Cairo in which 52 countries participated with their latest literary production. The president visited all international and national pavilions and saw what books and publications each of them had to offer. At the AL-AHRAM pavilion, the president wrote in the visitor's register: "Words cannot express my feelings toward this great pioneering institution. My regards and best wishes to all of you for continued success."

At the pavilion of the General Book Authority, the president heard about the new projects the authority is undertaking to publish, including a series of literary, scientific, technical, religious, and children's books as well as military, scientific, and technical encyclopedias and various dictionaries.

Upon the president's arrival, and while he was greeting his hosts, the Cairo symphony orchestra, conducted by Yusuf al-Sisi, played "God Bless Egypt."

Future Projects of the General Book Authority

The president then cut the ribbon, signalling the opening of the fair, and began his tour inside pavilion number 3 with a visit to the pavilion of the Egyptian General Book Authority where he listened to a presentation by the authority's president, Dr Samir Sirhan, in which he said: We have new projects already underway, which are:

Islamic Issues: A contemporary Islamic series costing 25 piasters a book.

The Cultural Library: Publishes works by famous writers in all fields of knowledge at a cost of 25 piasters a book.

The Second Thousand Book Project: Publishes the latest fruits of world thought and Egyptian contemporary literature and presents a portrait of our contemporary literature translated into foreign languages.

World Literature for Youth: A simplified presentation of world literary masterpieces.

Simplification of Sciences Series: The first collection on addiction has already come out in 13 volumes at a cost of 30 piasters a book.

Dr Samir Sirhan said that other projects were under preparation and include: the "Know Egypt" project, a series of books promoting youth affiliation and inculcating Egyptian patriotism; the children's scientific encylopedia, the first complete encylopedia in 84 volumes; the "Arts Simplification" series which presents arts in a simplified form to the general intellectual; the "Universal Dictionary," the first Egyptian dictionary in English and Egyptian; the "Medical Dictionary," an Arabic translation of medical terms; the "Military Encyclopedia," made up of 27 volumes on various historic eras; simplification of great Egyptian works for youth, university dissertations dealing with important works and personalities in our religious, literary, and historical heritage; the "Chidlrens' Book," which takes into consideration various age groups; and the "Astronomical Encyclopedia," made up of 5 volumes.

Dr Samir Sirhan also said that the book authority has unconventional outlets which are: the "Book Club" that supplies the reader with 10 books a month at cost price for an annual subscription of one Egyptian pound; the "Arabic Book Club" that supplies European and American readers with 10 books for a $1.000 annual subscription; the "Mass Education Castles" and the "Child's Education Castles." The authority plans to open 300 new distribution outlets in cooperation with Mass Education, 300 distributions booths at colleges and institutes, national libraries which are under construction in the governorates, books stores, and mobile libraries.

90 Percent of Book Problem Solved

President Mubarak asked if the book problem had been settled and Dr Ahmad Haykal replied that 90 percent of this problem had already been solved. The problems of importing, exporting, and book prices have been settled and the only thing left is to offer custom facilities for paper and printing equipment so that the private sector may sell at low prices.

[Question] If we lower customs fees, will the private sector sell at a low price?

[Answer] It is possible to set rules.

The president began inspecting the quality and nature of books displayed in the book authority pavilion, saying in the process, "We want history to be history," to which Dr Haykal replied: "We concentrate on aspects that enlighten youth and children."

President Visits Pavilions

The president then visited publishers' pavilions and the International Linguistics Library.

President at AL-AHRAM Pavilion

The president had postponed his visit to AL-AHRAM's pavilion until after his meeting with Egyptian authors and writers. After the meeting the president headed for the pavilion, where he was received by Mr Ibrahim Nafi', board chairman and editor in chief of AL-AHRAM, and Mr Muhammad Hani Tulbah, director of the AL-AHRAM Distribution Agency.

The president listened to a presentation by Ibrahim Hafi' on the development of the agency, which is in charge of book distribution. Nafi' said that its operation grew to 13.5 million Egyptian pounds as opposed to 2.5 million pounds in 1975.

He explained AL-AHRAM's endeavors in exporting Egyptian books worldwide, a field in which AL-AHRAM has realized large returns that help it meet part of its foreign currency needs. The president then began inspecting the various wings at the pavilion, beginning with AL-AHRAM Book Club where he listened to a presentation by Mr Muhammad Hani Tulbah about the services and benefits the club offers its members, including:

--Special discounts on purchases made by members at all AL-AHRAM bookstores throughout the membership year.

--Periodic drawings on membership card numbers (by computer) for book prizes.

--Furnishing members with a periodical about new books with special lists and catalogs.

--Providing literary assistance and advice to members, and meeting their special needs when they are not available on the local market and helping them to categorize, arrange, and complete their library needs.

--Setting up a fast-service system for special phone orders for no less than 25 Egyptian pounds.

--Helping members set up and organize complete or specialized libraries at home (children's library, religious library, scientific library, etc.).

--Offering members gifts of books in different fields and acquainting them with new books and publications.

--Importing foreign scientific periodicals and books for members and delivering them to their residences and answering inquiries about them.

--Encouraging the club's young authors to publish and market their work and offering necessary advice in this area.

--Assisting in the correction of master's and doctoral dissertations of members from the linguistic, scientific, and objective standpoint in exchange for prearranged fees.

--Cooperation with international and regional data banks and scientific research centers to provide necessary information to members.

12502/6662
CSO: 4504/183

INDEPENDENT PARTY FOR MUSLIM BROTHERHOOD

London AL-HAWADITH in Arabic 14 Feb 86 p 9

[Text] 'Umar al-Tilmisani, Supreme Guide of the Muslim Brotherhood, announced from his sickbed that the Brotherhood is considering forming a political party for the first time since their formation in the 1940's, while continuing their efforts in legal proceedings to have their group reinstated. In case a law is issued letting the Brotherhood return, then the idea of establishing a party will not be necessary.

In other developments, Al-Tilmisani (82 years old) announced that the Brothers had hired the newspaper LIWA' AL-ISLAM (which has been published for more than 50 years) to be the periodical expressing their feelings. LIWA' AL-ISLAM will serve as their official organ until they settle their suit to republish AL-DA'WAH magazine, suspended since September 1981. The Brotherhood is also preparing to put out a publication, AL-BASHIR, which will carry their internal news.

Al-Tilmisani said: "We are now in contact with opposition members within the People's Assembly, of which there are 67. We only need to obtain the support of 20 of them to be able to establish the party, according to the stipulations of the law on parties." These statements come suddenly, on the heels of news about strained relations between the Brotherhood and their allies in the Wafd Party, and after other news about the possibility of the Brotherhood's merging with the Ummah Party, established and headed by Ahmad al-Sabahi. The Ummah is the sixth party in Egypt and does not have much influence worth mentioning.

In other developments, Dr Milad Hanna, People's Assembly member, visited Al-Tilmisani last week in his wing of the Arab Contractor's Hospital last week. He found him ready to undergo delicate surgery. On his visit, Hanna was representing His Holiness, Pope Shenuda.

/6091
CSO: 4504/222

DETAILS OF BROTHERHOOD, UMMAH PARTY MERGER REPORTED

Cairo AL-AHRAR in Arabic 27 Jan 86 p 1

[Article: "Muslim Brotherhood, Ummah Party Merger?"]

[Text] Extensive contacts have been going on for 2 weeks to merge the Muslim Brotherhood with the Ummah Party. So far, these contacts have resulted in a majority agreement by the Ummah Party politburo to merge in principle. According to the party's bylaws, the matter must be presented to the party secretariats in the governorates.

Contacts are being conducted by Ahmad al-Sabahi, Ummah Party leader, and by Brotherhood representative Justice Ma'mun Hasan al-Hudaybi, who has been commissioned by 'Umar al-Talmasani.

However, there is a significant deal behind this "exciting" agreement.

--The Brotherhood is demanding the reorganization of all leadership positions whereby the party may be totally controlled at the outset.

But the Ummah Party leader is adhering to the bylaws that provide that only current vacancies be filled and reorganization be done only through the general conference in its ordinary session. Even if the general conference approves such reorganization, all persons in leadership positions will be subject to specific conditions stipulated by the bylaws.

As for the Shaykh Abu Isma'il, the deputy who is the closest to concluding an agreement and who does not represent the Brotherhood--but neither is he far removed from them, as 'Umar al-Talmasani put it--he is expected to fill the position of secretary general now occupied by Ahmad al-Sabahi. This is in addition to the position of party leader, in accordance with an already-concluded agreement.

In the event that a merger between the Muslim Brotherhood and the Ummah Party is not finalized, Shaykh Salah Abu Isma'il will become the representative of the Ummah Party's parliamentary body in the People's Assembly. If the merger does occur, the president of this body will be elected from among all the deputies who have joined the party, even though Salah Abu Isma'il enjoys a higher rate of religious current representation in parliament than the others.

12502/12858
CSO: 4504/198

GOVERNMENT ACCUSED OF SUPPRESSING NEWS

Cairo AL-AHRAR in Arabic 27 Jan 86 p 5

[Commentary by Muhammad Salamawi in "Ink on Paper" column: "The Prime Minister's Illness"]

[Text] The real test for any informational policy is its ability to undertake an active and effective role in times of crisis and its success in interacting with new and unexpected facts which may not always arouse pleasure and delight and not its ability to cover a traditional accomplishment such as the opening of a new overpass or a model farm.

Our concern here is not to review the record of our official media's failure in any of the crises we have encountered in recent weeks, from the storming of the Egypt Air plane at Valletta Airport to the death of Sulayman Khatir at the military prison hospital in al-'Abbasiyah, for much has been written about such incidents. Our aim here is to emphasize that the informational policy is not a monopoly for TV and the national press or the Ministry of Information, as some articles have claimed. It is a responsibility shared by all state agencies. The mistake which some people attributed to the TV, for instance, is one which is repeated daily in all ministries and official agencies.

Indeed, the prime minister's office itself is not innocent of this erroneous policy. I use the prime minister as an example because Dr 'Ali Lutfi may be the prime minister most sensitive to the media's importance and its effective role in society, as demonstrated by the large number of replies his excellency sends to the press, a practice not pursued by any of the previous prime ministers.

However, it appears that this interest in the press and the media is a personal hobby of the prime minister rather than an official policy of his government. A case in point is the recent rumors about the "political illness" which has forced Dr 'Ali Lutfi to stay away from his office.

It is very likely that Dr 'Ali Lutfi is indeed ill, notwithstanding growing political differences between him and some centers of power within his cabinet. The diagnosis of his illness may be found with orthopedic doctors and not only with political observers.

Nonetheless, it was natural for rumors to flourish and for explanations to multiply concerning the reasons for the prime minister's absence from his office because he followed the same erroneous informational policy followed by his other ministries and government agencies, a policy that can only cause confusion and loss of confidence in the government's veracity.

In countries of the world that have respect for their people, whenever something happens to prevent a high official from performing the duties for which he was elected, be it a cold or something else, an official statement is issued by his office, first announcing his absence from his job, then stating the reason for and the duration of his absence.

A look at what happened in our country reveals that the prime minister's office has not yet issued any statement in this regard. Consequently, the official media has not published any explanation for the prime minister's absence from work while his office--just like the TV during the storming of the airplane--wanted to downplay the fact, saying he was suffering from the flu. When the prime minister's absence dragged on, his office--just like the press when the high cost of the storming operation was disclosed--was compelled to tell the truth, announcing that he was suffering from a slipped disc. Then suddenly, 10 days later, it was announced that he had gone to London for medical treatment.

Thus, Dr 'Ali Lutfi's office underscored the fact that the official informational policy, from the premiership all the way down to the smallest office or administration, in the case of the prime minister's illness as well as in the death of about 60 persons in the storming operation, is a fixed policy that follows the motto, "Put a lid on the news!" So do we have the right, in light of this, to ask why rumors spread? And are we allowed to wonder about the people's unwillingness to believe the government?

We wish the prime minister a speedy recovery from that slipped disc and wish his government recovery from that informational policy.

12501/12858
CSO: 4504/198

EGYPT

GOVERNMENT OVER-SENSITIVE TO PRESS CRITICISM

Cairo AL-AHALI in Arabic 29 Jan 86 p 1

[Editorial: "The Cabinet and The Conspiratorial Mentality"]

[Text] Our rulers and their journalists do not refrain from accusing the opposition of stirring up excitement, skepticism, and confusion by publishing news of disagreements and struggles within the government and its party. This discordant melody rang out following news of a possible cabinet reshuffle, which coincided with the illness of Prime Minister 'Ali Lutfi, and about disagreements among some key government personalities.

The government's anger and displeasure are a cause of surprise and wonderment.

Under democratic governments--and our government claims to be democratic--and under the multi-party system, political struggles and differences within the government and the ruling party and cabinet reshuffles are viewed as ordinary matters that do not cause instability or dissension. We have before us nowadays scores of examples, such as the resignation of two ministers from the Thatcher government in England and the differences between the ministers of energy and of finance in Israel. All these incidents have been made public without causing any problems.

But things in Egypt are different. The government operates with a one-party logic and conspiratorial mentality. We find that political struggles and differences, be they between the government and the opposition and more so within the ranks of the ruling party, must not be announced to the public for they must take place in secret and behind closed doors, away from public opinion scrutiny and participation. Those people forget that the key addressee and the interested party are the people, with their various classes, parties, and political powers, for the government and its decisions influence the lives of every individual, young and old.

If the government and its scribes are loudly denying the existence of differences and struggles within the government, why then is the president of the republic warning us that some government institutions are displeased

with the democratic practice: "Whereas I have tolerated much, there are others who are not tolerant"?!

What is the reason for this state of affairs which is unprecedented in Egypt or the world?

The prime minister leaves the country for medical treatment and the president does not appoint one of his deputies to replace him during his absence, although the prime minister has three deputies.

Then the president leaves the country without assigning a replacement until his return. Hence, for the first time in history, Egypt was without an executive leadership for a period of no less than one week.

And then we are told that stability is being threatened by the opposition through provocative and skeptical news!

12502/12858
CSO: 4504/198

BRIEFS

MTI LEADERS RECEIVE THREATS--Islamic Tendency Movement leaders Ghannouchi and Mourou have received death threats from "revolutionary committees" that are criticizing their position on Arab problems. [Text] [Tunis REALITES in French 14 Feb 86 p 20] /6091

CSO: 4519/74

BRIEFS

2D PIPELINE ACROSS SAUDI ARABIA--Baghdad, 24 Feb (INA)--Oil Ministry Under Secretary 'Isam 'Abd al-Rahim has said that a tender for the implementation of the second phase of the Iraqi crude oil pipeline project passing across Saudi territory will be announced next May. In a statement to INA today, the Oil Ministry under secretary added that the technical apparatus at the State Corporation for Oil Projects is currently preparing the tender's documents in cooperation with an international consultative company. He also clarified that the recent talks with the brothers in Saudi Arabia have produced positive results and identical views regarding implementation of the project, which will raise Iraqi crude oil exports across Saudi Arabia to 610,000 barrels per day. The first phase of the project was inaugurated last September with a capacity of 500,000 barrels per day. [Text] [Baghdad INA in Arabic 1245 GMT 24 Feb 86] /8309

CSO: 4400/109

MISSILE DEVELOPMENT DEAL WITH FORMER IRANIAN REGIME REPORTED

Tel Aviv MA'ARIV in Hebrew 2 Feb 86 pp 1, 9

[Text] The British OBSERVER claims that Israel and Iran, under the shah, cooperated in developing missiles capable of carrying nuclear warheads. The paper liberally quotes the former Iranian defense minister, Hasan Tufanian. The latter said that when he visited Tel Aviv on 18 July 1977 the then defense minister, 'Ezer Weizmann, told him: "Tomorrow you will see the launch and you will enjoy the flight. This is a very impressive system." The British paper maintains that the two met in order to finalize a deal, the details of which remain secret to this day.

The plan was to develop missiles capable of carrying nuclear warheads. The plan was code named "Flower." On the next day the Iranian foreign minister was taken to the Negev where he witnessed the launching of the missile. The launch was successful. "The missile was wonderful in every respect," the minister is said to have told the OBSERVER.

Tufanian returned to Tehran, reported to the shah, and suggested a $1 billion deal to develop the missile in return for oil.

The paper maintains that the minister witnessed a launch of a ground to ground missile to a range of 200 km, capable of carrying a 750 kg nuclear warhead. The paper also argues that it has documents, taken from the Israeli mission's building in Tehran, following the fall of the shah 7 years ago, which prove that the missiles were being developed for the purpose of carrying nuclear warheads.

In a meeting with the defense minister, 'Ezer Weizmann recalled the history of the development of the Israeli missile. According to him, Israel developed a small missile, called Luz, in the fifties. The pace of development was accelerated in 1962 when it was reported the Egypt was developing missiles. Weizmann told his Iranian counterpart: "We met at midnight. Shimon Peres was then deputy defense minister and I was Air Force commander. They were all panicky."

Israel approached the French company Dassault and together they started developing a long range missile name Jericho. Later on cooperation with the French stopped, while the Americans still refused to sell Israel this kind of weaponry. Since the shah did not succeed in acquiring missiles from either the United States or the Soviets, he turned to Israel.

According to the agreement, Iran was to supply Israel with 80 million barrels of oil, and it was also to designate an appropriate launch site within Iran, far away from the watchful eye of Arab intelligence organizations. In 1977 Shimon Peres went to Iran and agreed with the shah on a $1 billion deal, according to which Iran was to supply Israel with oil in return for six military joint projects, the most important of which was Project Flower.

The 1977 election of Menahem Begin worried the shah. Two months after the election, Tufanian came to Tel Aviv and met with 'Ezer Weizmann and Moshe Dayan. Weizmann assured the Iranian minister that Israel's policy was not about to change, except for the fact that what used to cost millions might cost billions and that some people were balder than they used to be. In the meeting, Weizmann told the Iranian minister that he was worried that within 10 years Egypt and Libya could attain nuclear capability and that "the French would sell anything to anybody." He also said that "all the missiles can carry nuclear as well as conventional warheads. Our missiles can carry up to 750 kg."

The then foreign minister, Moshe Dayan, mentioned the sensitivity of the Americans to the issue of missile development. He said that it had to be discussed with them. He also added that he would first discuss it with the shah.

Since Iran did not want open relations with Israel, a Swiss firm served as a front. According to the plan, Israeli technicians were to design and construct the missile, paying close attention to the guidance system. The unassembled missile was to be trasported to a plant in Sirgan, in central Iran, where a special facility was planned, including a runway for jumbo jets, which were to carry the parts from Israel to Iran. The test site was to be constructed in Rafsanjan, about 100 km north of the plant.

The paper also reports that in June 1978 the Israeli Navy commander visited the Iranian minister in Tehran. The Israeli proposed expanding Project Flower to include submarine missiles also. "This version of the missile was to increase its range and enable Israel to hit far away targets such as Banghazi and Tripoli," Tufanian reportedly told the OBSERVER.

In 1978 the first stage was implemented, when Iran sold Israel $260 million worth of oil. A group of Iranian engineers came to Israel in order to start designing the Sirgan plant.

The British paper reports that Uri Lubrani, Israel's emissary to Tehran, reported a long time before the shah's fall that in his estimate the regime was unstable and would collapse within 2 to 3 years. Israel, which had not completed construction of the missile by January 1979, when the shah fell, has never given Iran any parts for the missile.

Israel completed development of the missile, and all indications are that it has become operational, according to the OBSERVER. The paper quotes reports from foreign trade magazines that the Israeli missiles have been placed in underground systems in the Negev and the Golan. It even quotes an American technician who is supposed to have seen them.

8646
CSO: 4423/84

ARAB OFFICIALS DISCUSS FISCAL PROBLEMS, STRIKE

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 28 Dec 85 pp 32-34

[Interview with Ibrahim Nimr Husayn, mayor of Shafa 'Amr, and Nawwaf Halabi, Daliyat al-Karmil Council chairman, by Salman Yusuf: "Background of Local Arab Authorities' Strike; Ibrahim Nimr Husayn, Mayor of Shafa 'Amr, and Nawwaf Halabi, Daliyat al-Karmil Council Chairman, Shed Light on Hardships of Local Arab Authorities in Israel": date and place not specified]

[Text] The comprehensive and open-ended strike declared by the local authorities of the Druze villages has come to shed light on the dimensions and depth of the bottomless chasm separating the local Jewish and Arab authorities in Israel. The former enjoy vast aid and financial resources, thus enabling them to offer very advanced services, to implement construction projects, and to maintain and light streets, not to mention comprehensive cultural, social, and recreational projects. Despite this, these authorities scream for help, demanding that the government in general and the Ministry of Interior in particular meet the deficit in their budgets, both ordinary and special budgets, and the enormous development budgets. Meanwhile, the conditions are the complete opposite insofar as the local Arab authorities are concerned. These authorities can only offer some meager services in a paralyzed manner. They lack development budgets because the district officer omits such budgets when the examines the draft budgets submitted to him by the local Arab authorities. Needless to say, these Arab councils continue to be totally remote from the idea of offering efficient cultural services, such as establishing youth houses and organizing cultural, technical, or social courses for the youth. Should a budget be allocated for such activities, it is usually very small and insufficient for nominal activities which seem to be a ridiculous joke when compared with similar activities in the Jewish community.

Northern District Officer: Discrimination Is in Favor of Arabs

As for the sanitary conditions and the internal village roads, you can talk endlessly. They are a living testimony to what the situation was at the outset of this century.

Strange and surprising are what you hear in this regard when you speak on this issue with the majority of the members of the local Arab councils and

with some of the chairmen of these councils, and so are their statements of praise and applause for the blessed activities organized by these councils. What is more and more suprising is that these gentlemen respond with "what?" when you ask them about the degree of these councils' failure to offer services. They respond: What do we lack? If you ask them about soccer fields or about cultural or social clubs, they answer: Why are they necessary? Or they respond: What more can we do than we are already doing?

I said many, but not all, of the members and chairmen. To tell the truth, the majority of the chairmen of the local Arab authorities in Israel are aware of the true conditions from which their towns and villages suffer and they point out in every statement they make the discrimination practiced against them and the injustice inflicted on them at all the official levels, beginning with the district officer and ending with the minister of interior. All the officials work actively to freeze the internal conditions of the Arab villages. It is laughable, "and the worst affliction is that which makes one laught," to hear Yisra'el King, the northern district officer and the "author of the ill-reputed racist document," answering a question he asked in a television program broadcast in Hebrew several months ago and saying: "If there is discrimination between the local Jewish and Arab authorities , then it is discrimination in favor of the local Arab authorities, not vice versa."

Generous, Meaningless Promises

I do not wish to comment here on this official claim and allegation which tries to deface and overturn the facts. To shed light on the hardships of the local Arab authorities, including the local Druze authorities, we carry here the text of the interview conducted by AL-BAYADIR AL-SIYASI with Ibrahim Nimr Husayn, the chairman of the local Arab Authorities Committee and the mayor of Shafa 'Amr, and Shaykh Nawwaf Halabi, the chairman of Daliyat al-Karmil Local Council, who spoke at length of the injustice and discrimination suffered by the local Arab authorities and of the hardships experienced by these authorities. They exposed to us strange methods to which the Ministry of Interior resorts to stifle the local Arab authorities and to show them as the culprits, not the victims.

Responding to a question, Ibrahim Nimr Husayn said: The chronic and stifling financial crisis experienced by the local Arab authorities has compelled us to make our difficult decision to declare the open and comprehensive strike. There is no backing away on this step as long as the government refrains from remitting to us the funds needed to meet the intensifying deficit which is getting worse by the month. These authorities have now reached a state where they cannot pay the salaries of their employees dating back to several months. Meanwhile, it has become evident to us that the promises and pledges made to us by the Ministry of Interior are promises with no credit. We are making the rounds of the government agencies and offices without getting any result.

Deficit of Only $10 Million

[Question] You had declared open-ended strikes in the past but those strikes lasted 1 or 2 days and then you resumed your ordinary activities as if nothing had happened. The question is: Is this strike different from the past ones?

[Husayn] In the past, we staged warning strikes to familiarize the Ministry of Interior and public opinion with the true nature of the deteriorating conditions. The Ministry of Interior hastened to declare that it would meet our demands, thus blocking the path in our face. We waited only to find that the promises given were promises with no credit. But the current strike is different because it is comprehensive and open-ended and because there is no backing down on it unless the government remits to us the funds it owes us in order that we may meet the accumulating deficit.

[Question] How much do you estimate is the deficit from which the local Arab authorities suffer with the continuation of the debts that these authorities owe and how much do you estimate are the debts that the Ministry of Interior owes you?

[Husayn] According to accurate statistics and to definite and proven studies, the debts the Ministry of Interior owes us amount to $10 million. These debts have led to intensifying the deficit in the budgets and to the failure to meet the obligations and to repay the debts we owe the banks. If the Ministry of Interior does not remit these funds to us, it will be difficult for us to find a way out of the stifling crisis we are experiencing.

One Hair out of Camel

[Question] You received unequivocal promises from (Kobursky), the general director of the Ministry of Interior, who then proceeded to announce the remittance of large sums as a first payment to the local Arab authorities. Have these sums been actually remitted?

[Husayn] We did actually meet with (Kobursky), who promised to remit $1.7 million as a first payment. But the total remitted to the local Arab authorities has not exceeded $700,000, including $400,000 for Umm al-Fahm Municipality. The remaining $300,000 have been divided among all, including the joint Jewish-Arab local authorities, the joint cities such as Lod, al-Ramlah, and Tel Aviv, and the regional councils, including Mate Menashe, Hagilbo'a, Ma'alot, Tarshiha, and others, keeping in mind that the Arab citizens in these places do not benefit from a single shekel there. Moreover, the ministry has also resorted to a strange method to stifle the local Arab authorities, to paralyze them totally, and, at the same time, to create confusion and misunderstanding between the heads of the local authorities themselves. For example, I recall that sums exceeding 50 million shekels have been given to some small local Arab authorities with a jurisdiction of no more than 4,000 people whereas major municipalities such as Shafa 'Amr and Nazareth have gotten only 20-25 million shekels. However, we have foiled this attempt and

clung to the unity of our ranks, congratulating the councils which have gotten these large sums and making demands for all. With this step, we have preserved the unity of our ranks and closed the door in the face of the government which has tried to split the Arab ranks.

[Question] You previously met with Shimon Peres and with other high-level officials and the media broadcast the generous promises he made to you. The question is: Which of these promises has been fulfilled?

[Husayn] We met with Prime Minister Shimon Peres on 20 November 1984 "who was at the time managing the interior portfolio." We explained to him the conditions of the local Arab authorities, who were suffering from a deficit of 6 billion shekels. Peres promised to give us 4 billion shekels, provided that we collect 2 billion shekels in levies, either by directly raising the taxes levied on the citizens or by raising the costs of some of the services we offer. He also allocated an additional billion shekels for the development projects. But it became quickly evident that these promises are no different from the other official promises. The idea of development budgets was quickly abolished and only a small portion of the 4 billion shekels was remitted to us. We continued to turn in a vicious circle. We again met with Peres, reminded him of his promise, and talked to him about the fate of that promise. He again expressed his sympathy to us and instructed the minister of interior to remit the monies, which we have not received. The minister of interior alleges that the minister of finance has not approved the remittance of these monies, and so it goes.

To Ministry of Interior's Mind: Six Arabs Equal One Jew

[Question] Your constantly claim that there is racial discrimination and that you suffer from discrimination against you. Will you simplify the matter for us, especially insofar as the local authorities are concerned?

[Husayn] The discrimination against us is as obvious as the sun. The Ministry of Interior approves the local authorities' budgets on the basis of allocations of $60 per capita a year whereas the per-capita allocation for the Jewish community amount to nearly $300 within the framework of the ordinary budgets. If we, for example, take an Arab town with a population of 10,000 Arab citizens, we find that its ordinary budgets amount to 25-30 percent of the budgets of a similar town with a Jewish population, keeping in mind that the Jewish community submits and obtains enormous development budgets whereas the Arab community is denied such budgets. The development costs are transferred to the general budget, thus leading to a deficit in this budget and, consequently, to the impossibility of implementing the projects.

[Question] What are the demands on which you insist as a condition for ending the strike?

[Husayn] We have three fundamental demands:

1. Amending the structure of the budgets so that they may become equal to the budgets of the Jewish community.

2. Meeting the existing deficit.

3. Allocating development budgets so that we may not be forced to rely on the ordinary budgets for the implementation of development projects and thus return to our present situation.

[Question] Let us assume that the Ministry of Interior proves that there are no special budgets and that the Ministry of Finance is exerting efforts to reduce all the budgets. Will you end the strike and resume running your ordinary affairs, or will you plan other steps?

[Husayn] I have already said that this strike is open and that there is no backing down on it unless our just demands are met. We will escalate the steps gradually. The next step to follow the demonstration staged in front of the Knesset and the other demonstration staged in Nazareth will be a call for a general strike in the Arab community. This is something which the government cannot ignore because a strike by the Arab citizens generally will paralyze all of Israel's economic facilities.

[Question] Have you thought of tendering mass resignations in protest?

[Husayn] I have already proposed this step but the brother chairmen of the local authorities have turned it down for fear that the Ministry of Interior will dissolve the elected councils and appoint committees to manage the councils' affairs. Such a step will not serve the citizen's interests.

[Question] To conclude this interview, do you wish to address an appeal on the pages of AL-BAYADIR AL-SIYASI?

[Husayn] I hope that the Ministry of Interior will learn the lessons and consequences, will understand how serious is the existing situation of the Arab local authorities, and will exert efforts to solve this problem and respond to our just demands before it is too late and before we reach a point where it will be difficult to take control of affairs.

Delay, Procrastination, and Deception

I thanked Ibrahim Nimr Husayn for his frank interview and headed for Daliyat al-Karmil to interview Shaykh Nawwaf Halabi, the chairman of the local council there. I had in my bag a single question, namely: What is the reason for the local Druze authorities' joining with the other Arab citizens, considering that the media published recently a report to the effect that Yitzhak Moday, the minister of finance, has remitted to some Druze local councils a sum of $2 million, in addition to the minister of interior's generosity to the "allies in blood" and the "brothers in arms" and so forth?

In response, Shaykh Nawwaf Halabi said: The conditions of the local authorities in our villages are no better than the conditions in the rest of our Arab villages, thus paralyzing these council's ability to continue to perform their daily duties. This has forced us to declare the open general strike.

[Question] Do I understand from your words that the local Druze authorities also suffer from a deficit in their budgets? What is the direct reason for this situation?

[Halabi] The direct reason is due to the basic, i.e., ordinary, budgets and to the lack of development budgets. These ordinary budgets do not meet the basic needs of the services which the local authorities have to offer. Despite this, the Ministry of Interior does not remit the funds to us on time but rather procrastinates, postpones, and delays the payment until December instead of April, which is the beginning of the fiscal year. This delay leads to a great erosion of the value of these funds as a result of inflation.

[Question] I beg you to explain this point.

[Halabi] At the outset of the fiscal year, the Ministry of Interior remits a small part of the local councils' share and postpones remitting the major part for 6 or 7 months. The part is remits is not enough to meet the ordinary expenses, thus forcing a council to borrow from the banks. Herein lies the problem because the sums a council borrows are tied to the inflation indicator and it pays a high interest for them whereas the Ministry of Interior pays its share without tying it to any cost of living indicator. As a result, the local councils pay the banks a lot more than they get from the ministry and this causes the deficit in their budgets to grow and, consequently, the conditions to be frozen.

[Question] When preparing your ordinary budgets, why don't you prepare development budgets also?

[Halabi] We do prepare development budgets but most of them are not approved. Let me give you an example from Daliyat al-Karmil, my village. The village population numbers 12,000 people. The development budget and the loaning plan approved amounted to only 60 million shekels. This small budget is not enough to carry out maintenance work on the roads, not to mention the possibility of embarking on any new development projects. This forces us to overspend the approved budget and, consequently, to transfer the costs to the ordinary budget. This results in intensifying the financial crisis from which we are suffering. But if you are looking for the real reason behind the cricial conditions of the local Arab authorities, it is the Ministry of Interior itself. This ministry determines the general framework of the budgets and requires the local authorities to prepare their budgets within this framework. Consequently, the Arab councils obtain a small part in comparison with what the parallel local Jewish authorities obtain. To put it more simply, I say that a Jewish citizen obtains grants and budgets from the Ministry of Interior equal to what six Arab citizens get (from the same ministry).

[Question] The information media have published statements by informed sources saying that the minister of finance has remitted to you a sum of $2 million, in addition to the sums remitted by the Ministry of Interior. So why the strike and the complaints?

[Halabi] We had already announced to all and the media had already reported that the local Druze councils suffer from stifling financial crises that paralyze any possibility of offering any kind of services, meaning that they are unable to open their doors, not to mention paying the employees' salaries or even repaying the interest due on the accumulated debts they owe the banks.

We met with the authorities concerned, explained to them how serious the situation is, heard from them tempting promises, and witnessed their displays of sympathy. But no promised sums were remitted. I will mention to you, for example, our meeting with Yitzhak Moday, the minister of finance. We familiarized him with the facts of the situation and he promised us to cover the deficit in the budgets by remitting the $2 million you mentioned. He stressed to us that Israel's economic circumstances are extremely difficult, that he realizes that the State of Israel is greatly "indebted" to the Druze citizens, that this debt requires the government to advance assistance, and that he will remit $2 million from his ministry's budget within 2 weeks. We waited 4 or 5 weeks. The truth is that all his promises are meaningless. All that has been remitted to the Druze local councils in their entirety is a sum of only $250,000. Meanwhile, the Ministry of Interior claims that these monies are deposited in its safe and that they are a loan against the account it owes. As an example, I say that the Ministry of Interior owes Daliyat al-Karmil a sum of 500 million shekels, of which we have received only 65 million shekels. This means that what we have received equals only one-ninth of what is owed us.

Meetings and Empty Promises

[Question] You have already met with the minister of interior and with other figures. Have you not reached a settlement to solve the crisis?

[Halabi] We met with the minister and with the other authorities concerned and all of them demonstrated to us an ideal spirit, displayed the extent of their interest in and theri response to our just demands, and made us honey-coated promises. But the truth is that the outcome is nil and that their promises have been carried away by the wind. The conditions of the local councils continue to deteriorate and this has forced us to declare the strike, to close the local councils, and to present the keys to the government.

[Question] Assuming that the Ministry of Interior persists in its intransigent position, what are the steps you will take?

[Halabi] We have now decided on the open-ended and comprehensive strike which will continue until we receive a satisfactory response. Otherwise, we will escalate these steps and take some necessary steps which we will announce in time.

[Question] Would yo mention some of these steps to us?

[Halabi] This is premature. Let us leave the matter to the future.

[Question] Are you thinking of tendering mass resignations?

[Halabi] Anything is likely. Do you exclude any steps, be they general strikes or other possibilities.

[Question] Why did you condone the government's attempt to separate the local Arab and Druze councils when you both are Arabs and you are experiencing the same problems?

[Talabi] I have already told you that the minister of finance had promised to remit $2 million to the Druze villages. This caused us to postpone our strike. Had the sums been actually remitted, they would have been able to cover the intensifying deficit in our local councils' budget, and there would have then been no reason for calling for strike, for saddling the citizens with hardships, and for withholding services from them.

But when the true nature of the minister of finance's promises became clear to us, we declared the strike, like the other local Arab authorities. There is no other reason.

[Question] To conclude the interview, do you wish to address an appeal on the pages of AL-BAYADIR AL-SIYASI?

[Halabi] I would like to address a word to the Isareli officials to remind them that the Druze sect has sacrificed heavily and that this requires that the state not devour its rights and not follow the policy of discrimination against it. As for the Arab readers in Israel, I say that the local Arab authorities, with all their sects, are right in their position, which emanates from the serious financial sistuation we are experiencing. Therefore, I appeal to all to support and back these steps, even though they may cause some difficulties to the citizens themselves. However, they are involuntary measures imposed on us and we have no control over them. We are not fans of strikes and demonstrations.

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LIBERALS, HERUT AGREE ON SHARES IN LIKUD

Tel Aviv YEDI'OT AHARONOT in Hebrew 31 Jan 86 p 2

[Text] The Liberals approved, on 30 January, the proposal made by Herut's ministers, outlining the establishment of the Likud Party. The party council approved the resolution with a substantial majority. The Liberals are to have a one third representation in all Likud institutions, in its Knesset delegation, and other public institutions. The proportional representation in the Knesset and other public institutions will be assured through 1990. The resolution also contains a section stating that if the agreement is not approved by the proper Herut forum by the beginning of March, a separate Liberal Party will be instituted in the Knesset.

The decision, which may mark the end of the Liberals as a separate party, was adopted in a calm atmosphere and following but a short debate. About one third of the 420 council members were absent, among them members of the new Center Party, who have resigned. Scores from the Liberal Workers Center boycotted the meeting, claiming that the agreement discriminated against them.

In the course of the debate several speakers voiced their concern over Herut carrying out its part of the agreement. "We are going to this wedding with heavy hearts and not a very good feeling, certainly not with a feeling of victory," said Member of Knesset Pinhas Goldshtein. On the other hand, David Admon requested that the council be reconvened in order to approve details of the agreement on establishing the new party.

The concerns were discounted by other speakers. Attorney Moshe Rom suggested his city, Holon, as an example, where Herut and the Liberals function harmoniously. Member of Knesset Beni Shalita announced that this was the happiest day of his life. Minister Yitzhaq Moda'i, who sponsored the resolution for the central committee and all party ministers and Knesset members, reviewed the history of the Liberal Party to date and summed up his speech: "We concluded that the time has come for a decision, a decision on the future course of the Liberal Party. I hope that Herut will not procrastinate and will adopt the proper resolution in the appropriate forum, so that a true union can be realized."

YEDI'OT AHARONOT reporter Roni Shaked adds: Deputy Prime Minister and Foreign Minister Yitzhaq Shamir, appearing before Negev College students, welcomed the Liberal Party resolution to unite with Herut.

8646
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SITUATION IN JERICHO REVIEWED

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 4 Jan 86 p 35

[Interview with Talib Yasin Makki, chairman of the Jericho City Chamber of Commerce, by Khalid 'Ammar: "Jericho City: Palestine's Warm Winter Resort Is Nearly Burning With Numerous Problems and Obstacles"]

[Text] Jericho City is located only a few kilometers west of the Jordan River, which separates the East Bank from the West Bank. For the population's livelihood, the city relies primarily on agriculture and then on tourist activity. In past years, more than 100,000 people lived in Jericho and relied on agriculture and tourism.

The city's population is now facing severe economic crises from several sources. The farmers complain of the low prices of their crops, which are declining day by day and year by year. This is in addition to the lack of means to export these crops abroad. Consequently, agriculture rarely covers the costs of cultivation and tourist activity is also experiencing a decline in the number of visitors coming to the city, especially to the city's recreation parks and the merchants who rely on the tourists for their livelihood.

There are many other reasons and questions which are raised by many citizens and which have become the talk of everybody in the city, especially since the volcano of economic deterioration continues to emit its gases, warning of the expected danger.

Out of our eagerness to put an end to these questions, we headed to the Jericho Chamber of Commerce and interviewed Talib Yasin Makki, the chamber chairman, so that he may explain to us the reasons behind this serious deterioration. He said: I can sum up the most significant problems of the economic deterioration in Jericho City in two points:

The inspection point at the city entrance--Al-Mahsum. This point is closed to visitors as of sunset. This is a major reason for the economic deterioration in the city, especially since free movement between Jericho, Jerusalem, and the other West Bank cities is banned after 1800. There are the cases of sickness and birth that occur during the night and which require travel to Jerusalem, Ramallah, or any West Bank city. After 1800, the citizens are prevented from traveling. The same applies to the winter visitors who like to spend time in Jericho because of its attractive climate for rest and relaxation.

Haphazard Violations by Policemen

Many visitors who come to Jericho on holidays, especially during the winter, complain of the numerous haphazard violations. We have drawn the attention of the center's authorities concerned and talked a lot about this issue.

The visitors often complain about this. An example of these violations is reflected in the case of the visitors who stop for a few moments to buy vegetables or some other needs from the city merchants. When a vehicle stops in front of a shop for only a few moments to make purchases, it finds the policy lying in wait for it. No such vehicle is let go without a citation. Despite the contacts we have made on this issue, those we have been appealing to are dead. This is what deprives the merchant of sales and causes the visitor not to return to the city.

There is another problem created by the police, namely the problem of the daily citations issued against bicycles and cars operating on the bridges route. Here, we draw the attention of the authorities concerned to end these citations and to view this issue as an important issue.

Taxes, and You Don't Know What Taxes Mean

Makki further said: Many of the city merchants pay exorbitant taxes. One of them once paid 12 million shekels in extra taxes because of a bureaucratic error, keeping in mind that the taxes he owed did not exceed 700,000 shekels. Despite all this, he paid 11 million shekels. There is also the income tax demanded of the merchant and which the merchant cannot afford. There is, moreover, the additional tax levied on leased business establishments at the rate of 15 percent. This tax should not apply to Jericho City because the establishments are leased at very low rates and the tenant is protected against any increase in his rent, meaning that Jordanian law protects the tenant against paying any increase. This tax should not apply, especially since there is the real estate tax which the landlord pays to the financial departments at the rate of 17 percent a year.

This is why we demand that the authorities concerned reconsider the new tax and instruct the officials concerned to accord Jericho special treatment because the city's work activity does not last for more than 6 months a year during the winter. In the summer, the activity is paralyzed and comes to a halt because the population of Jericho and of the district does not exceed 14,000 whereas it was nearly 100,000 prior to 1967.

Agricultural Situation: From Bad to Worse

Talib Yasin Makki further said with bitterness: This year, as in preceding years, the agricultural situation is very poor. This is due to the small number of people and the meager rainfall. The supply is greater than the demand and the cost is very high, especially the prices of seed, fertilizers, pesticides, tractors, and land reclamation. What makes things even worse is that the authorities prevent Jericho's production of tomatoes, eggplants, and

other vegetables, as well as citrus fruits from entering the Israeli markets whereas we find that Israeli crops invade our markets unchecked. This problem poses the biggest obstacle to the West Bank farmer, especially the Jericho farmer and particularly when this farmer is prevented from marketing his crop. Moreover, the Jericho Agriculture Department has set limits for the cultivation of eggplants and tomatoes. As long as the authorities concerned have set these limits, then they should permit eggplants to enter the Israeli markets.

Telephone Problems

One of Jericho's difficult problems lies in the fact that numerous citizens and merchants applied for telephones long ago but are still waiting. As for the breakdown of telephone lines, this is a daily problem because no day passes without the telephones going out of order. We draw the officials' attention to respond quickly to the merchants' and citizens' applications for telephones.

Trucks

The owners of trucks operating across the bridges face a problem, namely the dissassembling of the truck engines. Every time the engine is dissassembled and reassembled, the process costs 60 dinars, not to mention the damage done to the vehicle during the process.

These are the most important reasons summed up by Talib Yasin Makki, the chairman of the Jericho City Chamber of Commerce. It is his belief that these are the reasons behind the deteriorating economic situation experienced by the city and suffered by all the citizens and merchants.

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ISRAEL

STATUS OF QEDUMIM SETTLEMENT DESCRIBED

'Ofra NEQUDA in Hebrew No 95, 21 Jan 86 pp 14-15

[Text] "For ye are not as yet come to the rest and to the inheritance" (Deuteronomy 12:9).

Ya'ir Sheleg, author of "The Rest and The Inheritance" (A Decade to Qedumim, NEQUDA No 94) has indeed given people food for thought. Both in what he wrote, and perhaps more in what he did not write. The ebbing of enthusiasm is a real phenomenon. There is no reason to ignore it. It should be considered as a subject to itself, separately, so as to analyze the reasons why Gush Emunim lost its original fervor.

On the other hand, the periodic phenomenon of growth processes followed by periods of settling down and planning for the next phase is known in many areas--social, psychological, national, and, of course, the economic and business arena as well. The awareness of this periodicity is very important for the understanding of the process so as to take optimal advantage of each phase and to channel enthusiasm in the right direction. Artificial attempts at raising enthusiasm at the wrong stage are doomed to fail. On the other hand, if human resources are properly directed, they can bear fruit and lay the foundation for renewed energies.

Qedumim, consciously or because of healthy intuition, has succeeded in channeling its resources and energies to that necessary stage of economic emtrenchment and expanding its population while adhering to the principle of settlement in Judaea and Samaria.

On the bare existence arena of settling Judaea and Samaria, there is a problem of a slowing pace which is far from satisfying expectations and removing concerns. Reasons for that, among others, are listed below, not necessarily in any order of importance.

--A lag in development of the infrastructure (employment, local and regional transportation, roads).

--Faulty communications with sympathetic groups.

--Concerns because of political uncertainties.

--Cutbacks in public funds for development and for new settlements.

--A distorted representation of the present situation.

--Some failures which are over-emphasized politically.

Qedumim opted to face operational failures with an attempt to classify the causes and to tackle the population issue with an administrative businesslike approach, with a typically national motivation. As a town which opened its doors for accelerated settlement, Qedumim set itself a goal of turning the temporary into permanence, of widening and entrenching. In order to accomplish that, it was necessary to organize in a system which could resolve the temporary problems of settlement members, to reach potential settlers while presenting complete solutions, as much as possible, including quality, price and speed of construction.

The Society for Expanding Qedumim was established in addition to other public organizations there in order to work for the realization of the abovementioned goals in a professional manner and in ways which are not necessarily available to elected institutions that have the heavy burden of managing the settlement on a day to day basis. Personal and public experience of the Society's members prevented them from seeking government help as a major force for settlement. It also warned them against the notion of "build your own home" because of its limitations (quality, long range warranties, wrong notions about the total costs, an unsatisfactory construction pace). It thus lead the Society to the establishment of a development and construction system on a wide scale, being very careful in all that pertains to planning, technical details, choosing reliable contractors, insuring the customers' money, keeping design in line with the rest of the settlement and ensuring a good pace of construction. They also kept the expectations of different settlers in mind.

The Society works with a bare bones staff--two and half positions in all. It considers the house as part of the neigborhood, the neighborhood as part of the settlement, and the settlement as part of its natural environment. It addresses all issues that a person building a home may face while shouldering the responsibility for the results--quantitative, qualitative, and monetary. Within 14 months (and that could be shortened, too) a new neighborhood was constructed--Giv'at Shalem. It consists of 70 houses with all complementary systems and with minimal annoyance to the customers. The quality of the homes, the infrastructure, and the rest of the development, albeit incomplete, can compete with any similar project.

Recent economic events in Israel can prove the advantage of flexible companies over diversified, cumbersome, rigid, giant systems. It was proven all over again, for anyone who needed proof, that a system has to be judged by its accomplishments, and that its very existence should not be the goal. The system has to serve, and the needs that it is called to fulfill should dictate its structure, rather than establishing systems with vague goals and ways to attain those goals. The latter systems are consumed by problems of existence instead of devoting their energies to accomplish set goals.

As a "leading," "flagship," "spearhead" settlement (the descriptions are by outsiders), Qedumim would welcome real competitors in any area. They cannot feel jealous: There are too many burdens, too many needs which require attention, with too few and efficient solutions. Qedumim's people do not regard their activities as isolationist. On the contrary. They are willing to help any settlement, with advice as well as with actions, in order to further the cause of settling in the Land of Israel. The author adds a few words about societies like the one in Qedumim, in comparison with regional organiations. The regional organizations are just that, regional. They have regional responsibilities. They are charged with dealing with regional, not local, problems. Such as inter-settlement transportation, tourism, inter-settlement roads, communications, employment, industrialization, land, contacts with government offices, etc. All this has to be accomplished in coordination with various groups (Amana, Gush Emunim, the Yesha Council, development companies of the local councils, etc.). The regional outfits have to deal with non-economic issues which small, local companies cannot fathom. They have to do it with government budgets and at the same time coordinate their activities with local companies, may they only grow in number.

As to the activities of the Society for Expanding Qedumim--the Society would like to see an organization along the lines of a construction center for Judaea and Samaria. An organization which would oversee activities--with advice and warning. An organization which would encourage and support the establishment of other organizations which can be trusted to work toward the welfare of all settlers throughout the region.

The author imagines a situation (not too far fetched) where the ruling party would take over all activities in the region. A step like this would not serve the country, but would also entail an electoral price. A controlled separation between the public and regional systems on the one hand, and the local and private system, on the other hand, while encouraging constructive competition, can only contribute to the success of settlement in the Land of Israel as a whole, and in Judaea and Samari, in particular.

The establishment of the Society for Expanding Qedumim (preceded by a similar Society in 'Ofra several years ago) did not weaken the various and sundry regional organizations. Quite the opposite, the independent economic activity strengthened the whole region and proved, once more, that there is no substitute to a professional approach, not in ideology and enthusiasm and not in the routine of entrenchment and expansion.

Qedumim, on its 10th anniversary, hopes to deserve to continue to lead, because it has not yet come to the rest and to the inheritance.

8646
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NEW SETTLEMENT OF KEFAR YAM DESCRIBED

'Ofra NEQUDA in Hebrew No 95, 21 Jan 86 pp 6-7

[Text] The reporter arrived at Kefar Yam on a bad day. Dark clouds filled the sky and foamy waves were attacking the beach in a noisy wildness. Rain started, with a cold wind hitting against the palm enslosures. When this settlement is a fishermen's village, it may not be considered a very good day, but worth waiting for a better one. "Do you know what it means to take tourists out 10-15 km for a fishing cruise after a storm? It is a most unusual experience. It is common in Europe. We could do it here, too. This is really something."

The enthusiasm is that of Sha'ya Deutch (32) and Nir (31) and Miryam Peleg. They are Kefar Yam of today. Kefar Yam consists of a few refurbished houses on the beach near Neve Deqalim, in Gush Katif. It is an awakening region. Sha'ya, a bachelor, was looking for a small place to live, two to three families, five at the most. Nir and Miryam wanted the same thing. They did not arrive with an ideological burden of "settling the Land of Israel" or firm political ideas on the subject. But they did come with a lot of goodwill, initiative, and preparation to pay, with money, in order to realize their dream. They had savings through working hard in an insulation company in Jerusalem, which they owned. Within a month and a half they had refurbished the buildings, put in new floorings, painted, connected a water line and moved to the homes 50 meters from the sea. This was in February of this year. The local council of Hof 'Aza was happy to see people willing to live on the beach. Previous attempts to form a religious settlement there failed. It was agreed with Sha'ya and Nir that the "settlement" would be a mixed one and it would form part of the tourist and recreation region of Neve Deqalim. Kefar Yam residents are to run the village for the council.

Nir is from Mash'abbe Sade, in the Negev. He met his wife, Miryam, on the kibbutz, when he came back from military service in a choice unit. She was there as part of her military service in the NAHAL. They left the kibbutz, spent some time in Qadesh Barne'a, a small settlement on the new border with Egypt, then they went to Jerusalem and Rehovot, constantly looking for their dream of a small village. Here, in the houses on the beach, Miryam feels that the dream is being realized. "I like, best of all, the sunsets. It is so beautifully quiet, with the sun drowning into the sea. Most unusual." Their 4 year old daughter, Hagar, prefers Qadesh Barne'a: "I had friends there."

She and her 2 year old sister Ela, go to the religious nursery school in Neve Deqalim. "When they grow up we plan on sending them to a secular school in the Besor region. I don't want a conflict to arise between home and school." In the meantime the children spend their time on the golden beaches.

They drilled a well all by themselves. They brought a water resevoir from 'Atzmona. There is no electricity, everything works on gas. Witn Sha'ya's ideas and his handiman's talents, it may be possible to play the piano one day using gas...

Sha'ya, with everlasting young looks, is from Zor'im, near Tiberias. He has a religious background, he even studied in a yeshiva. But for several years now he has been doing other things. "I still want this recreation village to have a religious character. You don't think we need a discotheque here on Sabbath eve?! I just don't want anyone to tell me what to do in the privacy of my own home." He thus alludes to some misunderstandings, in the past, with Neve Deqalim, 2 km from Kefar Yam. Sha'ya wants another two to three families with children "that we really like, and that we can see are really serious and are willing to work hard." The families have to be observant. This is Neve Deqalim's demand. They do want some sort of a balance. For the time being Sha'ya and Nir work hard. They refurbished the buildings in a short time. They planted a row of palm trees, paved a section of the beach and managed to convince Amana of their serious intentions. Menahem Beyt-Halahmi, of Neve Deqalim, has been following Kefar Yam for the settling movement: "Amana was very excited that Kefar Yam settlers did everything by themselves, with hardly any help from the outside. They put in a lot of money and energy, and proved their serious intentions. This coincided with Amana's desire to settle and lead the settlement effort in the Gaza region."

An ancient Mercedes, a 1942 British motorcycle, a large, tired dog, a Bedouin horse--Razal-- a retired race horse, an old train car belonging to Sha'ya, and some other odds and ends. A settlement the size of an absorption committee. Yosi Cohen, who works with his father in the carpentry in Neve Yam, lives here, too. A poet, Zelda, who works in Kefar Darom, wrote: "How jealous I was of seamen/and of those near the ocean.../with fresh sea breezes entering their lives/those fresh sea breezes entering their thoughts/their relations with their neighbors/with their families/it shines in their eyes/it plays in their movements."

Kefar Yam. Even the name is the simplest possible that could be given to this site. Void of any sophistication. Evoking immediate associations of sun and light, golden sands, and open spaces. A celebration of thoughts, dreams, moods. The only missing thing is the bride with the flowers to be photographed against the sunset, for the posters. But now it is winter which rules the sea, as the poem goes. And humans can "only look with astonishment how it, and the wind, break the rocks apart," also, as the poem goes. Everything here is like poetry.

One cannot even wish them to grow. They want to remain small, to be counted on the finger of one hand. Right now one can count them on two fingers. Sha'ya rides Razal, Hagar and Ela hold hands in front of the waves and Miryam reads Ulysses, in Hebrew. Nir is working on the boat, preparing it for a

fishing cruise. They dream in a little shell on the beach of Neve Deqalim, spread a net of dreams, reinforced with deeds. What is strange about these people is that they are not at all strange, but like those in Zelda' poem:

The gauge for their deeds
Is the glorious sea gauge
Not that of human ways
Not that of human alleys
...They see eye to eye
Works of the sea god
They sense his presence
Without our hangups
Without our distractions

[Box on p 6]

The Qatif region, on the southern end of the Gaza Strip, is a fast developing region. It is beginning to take its place on Israel's settlement and tourism map. Most of the settlements in the region are religious. It was therefore decided to put an emphasis on religious tourism and the special needs thereof. Last summer the observant public discovered this tourism area and many came here. The secular public, too, will be able to enjoy supervised beaches in the north and south of the regions. These are to remain open on Saturdays, too.

Kefar Yam is on Neve Deqalim's beach and is planned, among others, to serve as a fishing village. Tourist groups, and individuals, as well, and will be able to obtain fishing and boating services here. It is hoped that they will thus add another source for awakening tourism in the region.

Re'uven Rosenblat, council chairman: "The Qatif region is in the midst of an Arab population of half a million, with a high birth rate, and competing with us for every bit of open land. The authorities are showing high sensitivity to Arab needs and to their possible reaction to any of our activities here. The government is negotiating with several entities, knowing that any progress will entail concessions. It is thus imperative to bring as many Jews to the region as possible and to see to it that any plans, for any piece of land, are carried out.

[Box on p 7]

The struggle on every bit of land is constant and tiring. Arabs from Gaza, Khan Yunis, Rafah and Dayr al-Balah, are constantly out for public land. They are creating facts which are very difficult to challenge. They do not observe any master plans, law, or any other proper procedures. They simply settle, and according to Mr Rosenblat, are helped, with unlimited funds, by Israeli lawyers, who take advantage of a very "humane" justice system in order to accomplish their goals.

The Gaza area of Gush Qatif today nubers 1,500 settlers. The goal is 30,000 within a few years. Many of the settlers are still employed outside or in area services. Sophisticated industry is under development, as well as other

industries which will most likely be near Neve Deqalim. Agriculture, in the rural settlements, is based mostly on greenhouse flowers and tomatoes, citrus orchards, other fruit trees and a packing plant.

The great potential of the region as a tourist attraction, both for Israelis and for overseas travellers, has brought about an accelerated development of beach facilities. In addition to these and recreation facilities there is a riding stable near Ganey Tal and a cafeteria, as well. After the withdrawal a yeshiva was established here, housed in a spectacular building. There is a Jewish art center near the yeshiva and together they form a spiritual center for the region.

The expansion of settlement actually allows for a wide range of choices for those who opt to live on the beach. There is a workers' settlement, a communal settlement, a kibbutz (Netzarim) and an urban settlement. People in the Gaza region are sure that these opportunities will cause many to go to Gaza, literally.

8646
CSO: 4423/84

AL-RA'Y CAUTIONS AGAINST OPTIMISM OVER U.S. STATEMENT

JN150802 Amman AL-RA'Y in Arabic 15 Feb 86 pp 1, 24

[Editorial: "The U.S. Statements and the Palestinian Cause"]

[Text] It would be exaggerated optimism to view the statement issued by the U.S. State Department on Monday as proof that the U.S. Administration has decided to abide by a balanced policy toward the Palestinian cause. The U.S. statement says that the Palestinian cause is more than just a refugee question and that UN Resolutions 242 and 338 do not fulfill the Palestinian people's legitimate rights.

The welcome which the statement received from Arab leaderships and circles must not make us forget previous U.S. statements which did not prevent the United States from changing its stand toward the Palestinian cause. An example of this is the statement issued by former U.S. President Carter in Aswan [in Egypt] on 4 February 1978. The statement said that there should be a solution to the Palestinian problem from all its aspects and that the solution should recognize the Palestinian people's legitimate rights and should enable Palestinians to participate in their self-determination. The White House issued another statement a few days later and repeated Carter's statement, adding that Israeli settlements are a violation of international law and illegitimate. However, the announced U.S. policy in the two statements did not remain steadfast in the face of Israeli ambitions, that U.S. policy shrank, retreated, and produced the so-called Camp David accords.

In light of previous experience, we must remember that we cannot greatly rely on U.S. statements, especially since the United States and Israel are linked in a strategic alliance. In addition to this, the Arab stand does not constitute a force which can prompt the U.S. Administration to adhere to a balanced and fair policy toward the cause.

Thus, the immediate construction of a strong Arab stand remains the only hope for making a real change in the U.S. stand. It is incorrect and dangerous to pin hopes on a statement issued by the U.S. State Department or others because this will be just like running after a mirage.

/6662
CSO: 4400/110

JORDANIANS APPEAL FOR SYRIAN ACTION TO HALT WAR

JN170740 Amman JORDAN TIMES in English 17 Feb 86 pp 1, 3

[By JORDAN TIMES staff reporter]

[Text] Amman--Fifty prominent Jordanian personalities appealed to Syrian President Hafiz al-Asad on Sunday to intervene and exert all possible efforts to stop the ongoing war between Iran and Iraq.

The appeal was contained in a cable sent to President Al-Asad. It was signed by president of professional associations in Jordan, former ministers, parliamentarians and several Palestine National Council (PNC) members.

"We have been following, for the last few days, the Iranian invasion of the territories of our brotherly country of Iraq," the cable said. "Iran itself proclaimed that the invasion aimed at taking over the island of Al-Faw and the city of Basra and has mobilized hundreds of thousands of troops for that purpose," it said.

The signatories expressed "anguish and pain" and said they felt "devastated" on behalf of the Jordanian people at the "continuous Iranian rejection of efforts to end the war...and its determination to occupy Iraqi territories." The cable said the war and the Iranian position "only benefits Israel...and damages brotherly Islamic relations."

"Fully aware and deeply convinced that one of the major means to end this war and restore the peace of mind of the Arab nation, which has been burdened with anguish over the Arab future and destiny, is an interference by brotherly Syria, the bulwark of Arab nationalism, in the way it sees most fit to end the war," the cable said.

The cable expressed confidence that Mr Al-Asad and the Syrian leadership would respond positively to the appeal, "which reflects the conscience of each and every Arab citizen."

The cable also called for a reconciliation between Syria and Iraq "to face the Zionist and imperialist aggression against the Arab nation."

Following were the signatories to the appeal:

Mr. Ibrahim Bakr (prominent lawyer and PNC member), Sulayman al-Hadidi (former president of the Bar Association), Mr. Ibrahim Abu 'Ayyash (president of the Jordanian Engineers Association), Mr. Ja'far al-Shami, Mr. Yasir 'Amr (PNC member), Salim Masa'idah, Senator 'Abd al-Rahman Khalifah, Mr. Bahjat Abu Gharbiyah (PNC member), Sulayman 'Arar (former minister and National Consultative Council speaker), Dr. Hani al-Khasawinah, Mr. Salim al-Zu'bi, Dr. Jamal al-Sha'ir (former minister and NCC member), Dr. Sa'id al-Tal, (former minister), Dr. Ghalib al-Sabarini (president of the pharmaceutical association), Mr. 'Ali Abu al-Raghib, Mrs. Layla Sharaf (former information minister and NCC member), Deputy Fawzi Tu'aymah Dawud, Mr. Mahmud al-Kayid (president of the press association), Mr. Rakan al-Majali (a prominent journalist), Mr. Fahd al-Rimawi (a columnist), Mr. 'Abd al-Rahim 'Umar (a prominent poet), Mr. Tariq Masariwah (editor in chief of SAWT AL-SHA'B daily and a columnist), Mr. 'Abd al-Salam al-Tarawinah, Dr. Muhammad Juwaidan al-Jamal, Mr. Jawdat al-Subul, Mr. Hani Abu Hijlih, Dr. Fawzi al-Samhuri, Mr. 'Abd al-Majid Shraydah, Dr. Hamdi Khasawinah, Dr. Matar 'Awwad, Mr. Khalid Mahadin (journalist), Dr. Walid Maraqah (president of the Dentist Association), Dr. Yahya Khrays, Deputy Muhammad al-Haj 'Abdallah, Dr. Kamil al-'Ajluni (former minister), Parliament members Rizq al-Batayinah and Zuhayr Dhouqan al-Husayn, Mrs. Haifa' al-Bashir (president of the Federation of the Jordanian Women), Mr. 'Abdallah 'Abandah, Dr. Trad al-Qadi, Dr. 'Adli Dalal, Mr. 'Awni al-Masri (former minister), Dr. Salih Irshidat, Dr. Hasan Khurays (president of Jordan's Medical Association), and Mr. Ghassan Qamhawi (president of the Agricultural Engineers Association).

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CSO: 4400/110

AL-RA'Y ON PERES' CALL FOR SEPARATE NEGOTIATIONS

JN140934 Amman AL-RA'Y in Arabic 14 Feb 86 p 1

[Editorial: "Machination, Incitement, and Forgery"]

[Text] On all occasions Jordan has affirmed that it will not be an alternative to the PLO and will not enter any negotiations to settle the cause without the PLO. Jordan has constantly proved its commitment to this pledge. Therefore, Peres' call for Jordan to enter into separate negotiations is a suspect machination, and so is the claim that many kinfolk in the West Bank welcome the separate negotiations Peres is proposing.

Moreover, Peres called on these kinfolk to enter into direct negotiations with Israel if Jordan rejects separate negotiations. It is clear that this inciting call is aimed at fragmenting Palestinian ranks and at striking at them with Palestinian hands. It is also aimed at fabricating a Palestinian authority that submits to occupation and whose mission is to liquidate the cause and to grant legitimacy to Israel--legitimacy that Israel wants to use as a cover for usurping Palestinian rights.

It goes without saying that the suspect proposals expressed by Peres are not the first of their kind. Israel's previous machinations failed. Likewise, the new attempt will fool nobody and is doomed to failure like its precedents.

The Israeli prime minister does history a grave injustice by claiming that Arab terrorism was what created the Palestine question. He ignores the fact that Zionist terrorism was what built Israel, that the Israeli entity is actually a terrorist entity, and that Peres and his colleagues, rulers of this entity, were leaders of terrorist organizations--organizations that wreaked havoc and committed innumerable crimes against innocent civilian women, elderly, and children.

These veteran terrorists trying to write a forged history for the Palestinian question are themselves the ones who are trying to liquidate this question and to sow discord among its owners. It is certain that the world will not be decieved by forgery. It was and still is a witness concerning the beginning and developments in this question. Likewise, attempts to sow discord among the Palestinian people's sons will not succeed. These people have lengthy and rich experience that immunizes them against the plots and intrigues of the occupiers. Moreover, they have the determination to be steadfast and to continue struggle until they regain their legitimate rights.
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CSO: 4400/110

DRAFT BUDGET STRESSES STABILITY

London MIDDLE EASTERN ECONOMIC REVIEW in English 14 Dec 85 p 20

[Article by Pamela Dougherty]

[Text] REALISM has dictated the draft of Jordan's 1986 budget, according to Bank of Jordan deputy general manager Michel Marto. His view is shared by most analysts, who point to the need to improve the balance of payments position. Others believe the slow economy justifies a slightly more expansionary budget. "We can tolerate the higher rate of inflation (which would result from) a larger deficit," says Jawad Hadid, deputy general manager of the Arab Jordan Investment Bank and head of the Jordanian Brokers' Association.

The draft has been described as the first budget to emphasise dependence on local resources, through higher domestic output and revenues. Expenditure, at JD 923 million ($2,560 million) — 14 per cent up from the 1985 allocation — at first looks ambitious, but in fact reflects the government's new accounting system.

The capital budget receives a transfer of JD 40 million ($113 million) from the 1985 budget, incurred but not paid by 31 December, leaving a net increase of 4 per cent, rather than the 12.8 per cent that a direct comparison with last year's figure would produce.

Local income is put at JD 497.9 million ($1,405 million) — an optimistic estimate, but one that may be achieved (MEED 7:12:85). Nobody is interested in new, or higher, taxation, but there is strong general approval of the continuing improvements in revenue collection. If realised, the figure should cover 88.2 per cent of current expenditure, against 80.2 per cent in 1985.

Expectations of JD 253 million ($714 million) in Arab and foreign aid seem optimistic, given the increasing unreliability of Baghdad summit commitments (MEED 13:7:85). Indeed, some analysts see this as a potential trouble spot in 1986.

More for farmers

On the whole, spending allocations follow 1985 patterns with some indication of more support for agriculture. Interest relief goes to farmers who have repaid Agricultural Credit Corporation loans this year. In addition, funds are committed to the lower Zarqa basin project, grain and fodder irrigation schemes, and to starting a comprehensive national land survey. The eight-year-old controlled price system for fruit and vegetable sales has been scrapped, allowing free market competition.

Improved farm output and marketing are seen as a promising development area, yielding the twin benefits of a reduction in the $400 million annual food import bill and a boost to exports.

There was an apparent improvement in the terms of trade in 1985: imports stayed at the previous year's level, and exports rose by 10 per cent. However, foreign currency reserves fell sharply — and the central bank's September bulletin showed a JD 68.6 million ($194 million) discrepancy in the

trade figures. This could reflect inaccuracies in import documents, particularly those arranged through money-changers.

The government has started a campaign to tackle the problems of potential foreign currency earners — and to contribute to 1986 budget goals. Import controls have been introduced to protect key local industries, as well as tax concessions to encourage export-oriented ventures and construction (MEED 24:8:85). Any increase in these sectors' productivity and earnings will be reflected on the local stock exchange, the Amman Financial Market (AFM — MEED 26:10:85).

Renewed efforts are being made to stabilise and diversify the market, and to stimulate activity. To this end, the government plans to set up a brokerage firm, a market development agency and a mutual funds company, and to pass legislation allowing bank loans to be used for investment purposes.

Safe deficit

Monetary and fiscal policy are now closely aligned, thanks to the good relations between the Finance Ministry and the central bank, Marto believes. Because of this, the projected JD 37 million ($107 million) budget deficit for 1986 — equivalent to 2 per cent of gross national product (GNP) — is regarded as a safe level, and further foreign borrowing is unlikely to cause problems.

However, this assessment is not endorsed by Hadid, the brokers' representative. He believes the high JD interest rate of up to 8½ per cent, with low inflation, encourages too many potential investors to leave their money in the bank. This view is echoed by AFM director Hashem Sabbagh, who "would have been comfortable with a larger deficit." Sabbagh advocates extra spending only on projects with a good "multiplier factor," such as construction and roads. He is opposed to higher import levels, to support increased consumption.

Sixty per cent of GNP is generated by government expenditure, leading Sabbagh to believe the authorities should take the lead in expanding the economy. He welcomes the 80 per cent cut in fuel subsidies, to JD 5 million ($14.5 million). He adds that only industry and transport should be eligible for the subsidy, leaving the domestic consumer to pay in full.

The overall 1986 forecast is one of consolidation, as Jordan continues to adjust to the end of the 10-year boom. Most observers are confident that the budget proposals are sound, and will enhance public confidence without taking any unnecessary risks.

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CSO: 4400/111

RECENT ECONOMIC TRENDS REVIEWED

London MIDDLE EASTERN ECONOMIC REVIEW in English 21 Dec 85 pp 54, 59-60

[Text]

JORDAN'S mildly expansionary 1985 budget was designed to ease the economy out of a two-year recession. It failed to do so — but at least the groundwork has been laid for improvement during the next few years.

Expatriate remittances and development aid have held up, but Arab aid continues to fall: only Saudi Arabia pays its full commitment as pledged at the 1978 Baghdad summit. Trade still suffers from the weakness of the Iraqi market, and the private sector remains depressed. There has been continuing reluctance to invest on the sluggish financial market, and the traditional, safe options — banks and government-backed bonds — attract most funds.

The political scene has been the focus of attention since the 11 February accord with the PLO; this marked the start of King Hussain's campaign to gain European and US support for a joint Jordanian-PLO peace move. President Reagan has shown interest in greater involvement, but the House of Representatives vetoed $122 million in weapons aid because Jordan refuses direct negotiations with Israel.

US Secretary of State George Shultz visited Amman in May to discuss the composition of a joint Palestinian-Jordanian delegation to meet US officials, but his government continued to urge direct negotiations, against Jordan's insistence on an international conference representing all parties, including the PLO. King Hussain's Washington visit in June failed to produce any real response, but later in the month an extra $250 million in aid was promised in recognition of Jordanian efforts to resolve the Arab-Israeli dispute.

Business confidence revived with the appointment in April of a new government headed by Zaid al-Rifai. The new prime minister advocated less government interference in the economy and greater support for the private sector. One of Al-Rifai's first moves was to cancel Jordanisation measures, which required that 51 per cent of the equity of foreign banks be held by Jordanian nationals; the change of policy was welcomed by foreign banks and local economists alike.

A privatisation trend also seemed under way when the Telecommunications Corporation (TCC) commissioned a study from British Telecom, but no other government companies have so far followed TCC's lead.

The government has imposed various import controls to protect local manufacturers, while lifting restrictions on certain goods — particularly where the Supplies Ministry was felt to be impinging on private importers' territory. Duties on several luxury items have risen steeply.

The import restrictions helped to slow the fall in foreign currency reserves. These reached dangerously low levels in March, when they were sufficient to cover only 30 days of purchases, and in June 148 days). Import curbs were possibly the only alternative to foreign exchange controls. A JD 58 million ($160 million) gift from Oman provided some relief in early summer, however.

The government has also been tackling the problems of several large industrial projects, which have absorbed $1,000 million in investment but have yet to contribute to export earnings.

In September the profitable Jordan Cement Factories Company and the South Cement Company (SCC), which is expected to lose about JD 11 million ($30.5 million) in 1985, agreed to merge, in the hope that coordinated production would cut SCC's prices and boost sales: SCC had sold half its 2-million-tonne annual output, but is having trouble moving the rest. The potash, fertiliser, glass and timber industries have also come under scrutiny and are taking steps to improve 1986 prospects.

The Jordan Phosphate Mines Company (JPMC) has continued to increase production steadily and anticipates sales of 6.7 million tonnes for 1985. Plans to exploit the massive Shadiyeh phosphate reserves seem certain to go ahead, and, with JPMC's good record, predictions of an upturn in phosphate prices within the next four years and the prospect of firm orders, the project should have no difficulty in attracting outside financial support.

There has been some unease at the government's continued emphasis on industrial development, given Jordan's lack of natural resources, its limited

domestic market and the unreliable nature of the Arab market. However, a more concerted effort has been made to develop trading links with Africa — the central bank has recently extended a $5 million export credit line for Djibouti — and with Asia.

China and India are already leading phosphate markets, and, following a November trade visit to Jordan, China announced its intention to increase phosphate, fertiliser and potash purchases. Indian construction companies have begun to show interest in Jordan: India's Uttam Singh Dugal took the JD 5 million ($13 million) Amman municipality intersections contract in early July, and both governments are keen to consolidate economic ties.

Despite the limitations of the market, figures for the first quarter of 1985 show a rise in industrial exports from just over JD 32.9 million ($91 million) in 1984 to JD 35.2 million ($98 million), while January-July volumes of phosphate, fertiliser and potash sales, via Aqaba, were 4 million tonnes, up from 3.7 million tonnes in the corresponding 1984 period. However, high oil import bills seem set to continue — the 1985 bill was JD 600 million ($1,665 million) — as the late-1984 promise of substantial oil finds remains unfulfilled.

The transport sector has picked up well, with large grain shipments moving through Aqaba to Iraq and oil shipments from Iraq to Brazil and elsewhere. It should gain further strength from moves to develop the Iraqi-Jordanian-Egyptian transport network and from the improving relationship with Syria.

The government's main development projects have also made good progress, despite budgetary constraints. Ninety per cent of households throughout the country now have mains water and electricity and work is under way on improving schools, health services and rural roads. However, by November, finances were very tight and all departments were requested to cut spending by 15 per cent.

Commitment to a five-year programme of rural development remains high and several of the year's new agricultural projects, particularly involving grain, fodder and meat production, should help to give the rural economy a more solid base.

The US congressional ban on weapons supplies, as a lever to force Jordan into direct negotiations with Israel, seemed to be backfiring when Jordan and the UK signed a $270 million weapons contract in September. King Hussain made it clear that he would look elsewhere for any other supplies the US was unwilling to provide.

The Jordanian-PLO link came under strain — and the chance that the two could lead the way in peace moves seemed slight — following the disastrous sequence of the Cyprus killings, the Achille Lauro hijacking and the abortive London visit in October by a joint Jordanian-Palestinian delegation. Foreign observers were quick to interpret King Hussain's support of the UK on the latter event as a sign that Jordan might be willing to scrap the February accord and enter bilateral negotiations with Israel. The king has remained adamant, however, that his agreement with the Palestinians stands, and that any peace agreement that does not include the Palestinians is futile.

European support for Jordan's stance seems to be strengthening. Italy's government has survived the crisis brought on by the Achille Lauro affair without any substantial change in its pro-Arab foreign policy. King Hussain has received a warm reception in Luxembourg and France, and there is talk of trying for another Jordanian-Palestinian delegation to London.

This, combined with Jordan's apparent ability to balance its February PLO accord with close relations with Egypt, and promising improvement in relations with Syria, has caused dismay in Israel. Prime Minister Shimon Peres has been pushed into making his own moves towards accepting some kind of international forum as part of the peace process. Nevertheless, there is still no real indication that either Israel or the US are ready for an approach that Jordan can accept.

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CSO: 4400/111

LABOR MINISTRY CRACKS DOWN ON ILLEGAL WORKERS

Dubayy KHALEEJ TIMES in English 28 Jan 86 p 4

[Article by Pam Dougherty]

[Text]

YET another crackdown on illegal foreign workers by Jordan's Ministry of Labour got under way this week. The aim is to improve the work prospects of unemployed Jordanians who now number 30,000 or six per cent of the workforce.

The crackdown includes the usual measures of checking permits at workplaces and also checks at airports and land borders to stop potential illegal workers from coming in at all.

Employers should be discouraged from hiring workers without permits by a new penalty of JD100 for each month any of their workers is without proper papers and they have until March 1, to regularize the situation of their current employees. Permit fees are also due to rise from the already quite hefty JD30 to an as yet unnamed figure.

The Ministry of Labour has now stopped renewing old permits and issuing new ones for a range of jobs that includes administrative work, accountancy, clerical jobs, sales representatives and secretarial jobs, for which they believe qualified Jordanians are available.

Earlier campaigns against illegal workers certainly seem to be having their impact felt. The figures show a drop in the number of foreign workers in Jordan from 153,519 in 1984 to 101,484 in 1985, though there are no figures available on just which sectors have been losing workers and which could still do with some trimming.

These regular drives against illegal workers are spurred, not only by the present number of unemployed, which is really quite moderate by world standards, but also by the realisation that large numbers of expatriates could well find their way back from the Gulf and Saudi Arabia within the next five to 10 years. The new five-year plan calls for the creation of 100,000 new jobs and the government wants to make sure that Jordanians, home-based or expatriate, get first chance.

Another demand from returning expatriates will be for housing, and current estimates are that only 3,000 units are being built by the private and public sectors each year though the sector needs closer to 18,000 to cope with growing population.

A certain number of Jordanian expatriates already own land in Jordan and will be able to take care of their own needs. Others will have a chance of buying if they have signed up with the Social Security Corporation, which is now investing in a number of housing projects. But that will still leave a substantial demand—and some good opportunities for the private sector which one local company has already recognised.

The company which had previously been mainly involved in trade, though it had built one estate of 100 houses for a co-operative society, has now begun work on a JD20-million 1,000-villa estate on the southern edge of Amman. The project is being financed by the Islamic Bank in Copenhagen and all units, are to be sold according to Islamic regulations.

The company makes it clear that its main sales drive will be aimed at the Jordanian expatriate in the Gulf.

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CSO: 4400/111

RESTRICTIONS ON ARAB INVESTMENT LIFTED

Dubayy KHALEEJ TIMES in English 4 Feb 86 p 4

[Article by Pam Dougherty]

[Text]

THE week has seen a further boost in Jordan's push for pan-Arab economic development with two new companies reaching the signing state and all restrictions on Arab investment being lifted.

The first is the JD50-million joint Egyptian-Jordanian holding company to be based in Amman which is meant to encourage a range of industrial and agricultural ventures.

Its first project is to be the establishment of a fishing company which will be headquartered in Alexandria but will work out of Aqaba and Egypt's Red Sea ports. Officials hope that the company will help reduce the present dependence on imports.

The second signing ceremony was for the joint Jordanian-Iraqi Industrial Company which has actually been under planning since January last year. It was making progress when Jordan's change of government in April, 1985, led to the project being shelved.

The JD20-million company has now been given a new life. The original plan was for Iraq to contribute JD10 million in funds while Jordan would provide its share in raw materials. But this week's agreement is that both sides will provide finance for the scheme: two million shares of JD10 each will be sold to the private and public sectors.

The company's activities will focus on food processing as both countries are short of facilities. A new tomato paste plant is planned for Amman and should help to meet Iraq's demand for 90,000 tonnes of tomato paste each year. It should also end Jordan's problem of tomato gluts.

The decision to lift restrictions on Arab capital, meanwhile, is designed to boost investment across all sectors of the economy: non-Jordanian Arabs will also now enjoy all the investment incentives available to Jordanians.

They will also be free to buy and sell central bank bonds and their investments are guaranteed against restrictions on the repatriation of profits.

The measures came into force with immediate effect, but it will probably be some time until the government will know whether they are the right incentive to stimulate Arab investment.

* * *

JORDAN'S tourist authority has just undertaken a scheme to attract more tourists from Britain.

The authority is cooperating with British Airways in offering "Jordanian nights" for tour operators in London, Manchester and Birmingham as part of the airline's programme of promoting Jordan as one of its six strongest destinations in 1986.

The tour operators will be invited to watch a film on Jordan and to hear Tourist Authority Director Nasri Atallah explain the country's touristic treasures.

A handicrafts show and a performance by the 10-member Madaba folklore troupe will round out the event.

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CSO: 4400/111

FRANJIYYEH STILL RELUCTANT ABOUT TRIPARTITE ACCORD

Beirut CENTRAL NEWS AGENCY in English 29 Jan 86 p 14-16

[Text] Political observers who thoroughly analyzed former president Sleiman Franjiyeh's statement at his news conference yesterday came to the conclusion that the Zghorta leader may be willing to use all his influence to force President Gemayel to resign but that he will not go as far as unreservedly supporting the Tripartite inter-faction accord.

Observers noted in this respect that Franjiyeh didn't even mention the Accord all through his news conference, which clearly indicates that he still stands by the reservations he had expressed about the document. (Franjiyeh had gone as far as describing it as "a dead document" and it was only following his talks with President Assad, a few days after the document was signed, that Franjiyeh supported the Accord.)

The real reason behind Franjiyeh's all-out hostile attitude toward Amin Gemayel is not clear, although some say that is has something to do with Gemayel's telling Assad, one day, that Franjiyeh had advised hom "not to give the Syrians anything without receiving something in return".

But as far as the present anti-Gemayel campaign is concerned, one thing is crystal-clear: Franjiyeh is all for it but that doesn't mean that the "salvation" he spoke about as accessible only after Gemayel's resignation is ncessarily one that should emerge from the Tripartite Accord.

This means that the Tripartite Accord can be used only as "fuel" for the anti-Gemayel campaign, because even supposing that the campaign would bring about the President's resignation implementing the Accord is then likely to raise a lot of problems as Franjiyeh himself has probably more remarks to formulate about the document that there had been already on the part of Gemayel and other christian leaders.

But now, what would the situation look like if Gemayel fails to respond and remains at the top of the State hierarchy?

Franjiyeh said he advocated "all ways and means" to force Gemayel to resign, but he also made it clear that the use of force must be the last resort.

Amal leader Nabih Berri also said that "no single shot will be fired at christian areas:. This, of course, does not exclude military pressure directly on the President (on the fronts of Souk Al-Gharb, the gateway to Baabda, and of Bickfaya, the president's home-town) but it does mean that the Amal Movement and its allied within the so-called "national front" have no quarrel with the christians as such (and probably neither with the Lebanese Forces as well) and that they would be willing to respect the present cease-fire with christian residential areas for as long as the Lebanese Forces keep out of the offensive against Gemayel.

Franjiyeh's call to the Lebanese Army yesterday was also viewed as a very clear invitation to all troops loyal to Amin Gemayel to "keep out of this".

Units of the Lebanese Army and of the Lebanese Forces (the christian militia) stand side by side along the newly heated front of Daw-Bickfaya, and all the political pressure put on by the opposition now aims at simply dismantling this front and thus jeopardizing Bickfaya as a safe and secure place for the President.

Some observers even speculate that the "national side" secretely offered the new command of the Lebanese Forces a deal: their recognition in return for the Christian militias backing down from supporting Gemayel.

These observers go as far as betting that the moslem side has now come to realize that the Tripartite Accord will never be implemented in its present form and that amendments must be brought in, and that they now believe that under the circumstances they might as well make a bargain and get the best possible price for the present version of the document.

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CSO: 4400/115

PSP OFFICIAL ESPOUSES TRIPARTITE ACCORD

Beirut MONDAY MORNING in English 27 Jan-2 Feb 86 pp 24-26

[Interview with Akram Shehayeb, member of the Political Bureau of the Progressive Socialist Party by Nadim Abou-Ghannam; date and place not given]

[Text]

PSP leader Walid Jumblatt declared the return to a state of war. Did he mean a military showdown has become inevitable and that all «red lines» have been erased?

Jumblatt did not speak of a return to the state of war, but of a return to square one, our starting point in 1975. In other words, he was talking of the dissolution of all our chances of reaching a peaceful, political solution. With the dissolution of these chances, we must prepare for all possibilities, including war.

Sayyed Mohammad Hussein Fadlallah told *Monday Morning* a showdown is essential, but hoped it would not be a military showdown. What is your comment?

We also hope it would not be a military showdown, since that would add to the already heavy death toll and the critical social and economic problems. However, we are also aware that as long as Gemayel heads the state and controls the military institution, the possibilities of a political solution are extremely remote.

Should there be a battle for implementation of the agreement will Syria participate or do the nationalist forces have enough military power?

We all know there is a Syrian troop amassment in the Metn, and the decision (to fight) lies with the Syrian brothers and the Syrian political and military leadership. The nationalist forces, being allied with Syria, will cooperate with these troops should Syria decide to confront the opponents of the tripartite accord it has sponsored.

Should this happen, do you think the U.S. or Israel will support the opponents of the accord?

The Israeli-U.S. role was effective this time in sabotaging the tripartite accord, and this sabotage can only be the result of solid relations between Israel and the U.S. on one hand, and the East Beirut leaders allied with the Lebanese regime, meaning Geagea and his colleagues, on the other hand.

Israel and the U.S. were most clearly behind the attempt to sabotage this accord which represented the opportunity of achieving the desired political solution.

Hobeika was defeated militarily. What role can he play now through his visit to Damascus and his meetings with Berri, Jumblatt and the Syrian vice-president?

Hobeika had refused to impose the accord by military force, hoping thus to prevent bloodshed in East Beirut. Even when opposition to the accord was voiced by Pakradouni, Geagea, the regime and the squad 75 (Gemayel's most loyal troops), Hobeika remained determined in his rejection of a military showdown at a time when he had the military power to impose the accord.

However, in the light of the military situation we are now going through, you can only be one of two things: the victor or the vanquished, but you can't be in the middle. And although Hobeika was defeated militarily by his rivals in East Beirut, he has not been removed from the scene. He is in Damascus today, on his way back to Lebanon where he represents a force that is present on the ground, though it may have been forced underground. This force can still play an essential role through the alliance that may be created with Franjieh and

despite his frequent trips to Damascus, had planned to sabotage the tripartite accord with Geagea's cooperation. He blocked all opportunities for peace, and as a result the situation is extremely dangerous on the political, military and economic fields.

How can the poor survive when Gemayel is playing with the dollar, with the money of the people, with the future of the people and that of the country? We are not back to square one, we are back to square <minus.>

And what is to be done now?

What is needed now is quick action. We have two options to get us out of the crisis: the implementation of the tripartite accord or the removal of its opponents. There is no third alternative. And as long as Gemayel is determined to obstruct the accord, we face an unknown destiny.

There are no alternatives to the accord, and only the most remote possibilities of a political solution. That leaves us with the option of a military showdown . . .

Let us go back to the tripartite accord. This accord does not represent all the ambitions of the nationalist forces, yet we agreed to it out a desire to get the country out of the infernal cycle of violence. The accord was eventually signed, and later torpedoed. But we see no alternative to it, we are committed to it. If it had been implemented, we would have entered the first phase of reforms that would have greatly helped the return to normality, leading to a political solution, constitutional reforms, and the return of all those who have been displaced, since 1975, to their homes. In other words, we could have finally seen a beam of light, had the East Beirut developments not taken place.

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HAMADAH URGES REMOVAL OF AL-JUMAYYIL

Beirut MONDAY MORNING in English 3-9 Feb 86 pp 24-27

[Interview with Marwan Hamade, Progressive Socialist Party by Reem Drooby and Rima Awad; date and place not given]

[Text]

How would you comment on President Gemayel's call for a parliamentary debate on the tripartite accord, and do you think his call will be answered?

I would call this initiative a sort of diversion. I think that had Amin Gemayel read the Lebanese constitution once, he would be fully aware that the president of the republic has no authority to transfer any bills, constitutional amendements or treaties to parliament directly, without them being discussed in the government first.

I would therefore describe his move as an attempt to delay the inevitable political isolation he himself had brought upon himself. He is trying, by absolutely any means, to break through this isolation after the opposition forces decided to boycott him, and more recently after former President Suleiman Franjieh has called for his immediate resignation.

I do not expect parliament to debate the tripartite accord before a new president is at the head of the state, together with a new government that would study the accord, endorse it and then refer it to parliament, according to the constitutional procedure.

We believe that whatever moves Gemayel makes from now on, they will all lead nowhere because he has placed himself and the country in an impasse from which the only way out is his resignation.

Do you think Gemayel's move could have been an attempt to evaluate Syria's position and the state of relations between the Lebanese regime and Damascus?

You know Gemayel is a great, talented person when it comes to delayed tactics, erratic moves and maneuvers or below-the-belt blows. My opinion about his latest move is that he tried to make the people believe it was all agreed upon with Syrian President Hafez Assad during the last Lebanese-Syrian summit. But this is just a delaying tactic, throwing on House Speaker Hussein Husseini and the parliamentary body a responsibility that is not theirs. Gemayel had already adopted this tactic once, during his

debate and fight about the May 17 agreement. He made the parliament endorse full responsibility of this agreement and let them down at the last minute, while we all know he was the one who negotiated and approved of the May 17 agreement.

I think Gemayel should have no illusions about the state of his relations with President Assad and with Syria. We have witnessed several times how President Assad and Syria salvaged President Gemayel at the last minute from the consequences of his monumental errors, just for the sake of restoring stability in Lebanon, but the coup he plotted with (Lebanesse Forces Chief of Staff Samir Geagea) on January 15 against the tripartite accord was a direct blow addressed to Syria, I do not know how the Syrians are going to react, but I think Gemayel has tried this kind of maneuvers before, and knows there will be no answer to it.

In your opinion, is the East Beirut political scene open to any more changes, and what role can Hobeika still play after his military defeat there?

Hobeika sustained a military defeat, but not a political one, because by opposing his signature to a document aimed at reestablishing peace, bringing the refugees back to their homes, implementing radical reforms in the system, Hobeika was betting on the future. But those who attacked him on that Wednesday (January 15) were and are still, betting on the past. Moreover, if anyone of those who cooperated in the plot against one of the parties to the tripartite agreement, thinks that by removing Hobeika they have blown up the agreement, we can tell them that by removing Gemayel, Lebanon will restore the tripartite agreement and will therefore pave the way to peace.

As for changes in the political scene in the eastern side, I think we are witnessing some drastic episodes since the first wave of extremism that followed the Geagea coup. First is the clear-cut attitude of Franjieh on the resignation of the head of state. Second is the attitude of Raymond Edde about this resignation, and his statement saying that he never recognized Gemayel as president. Third is the change in the mood of the Maronite members of parliament, which gave the Bkirki conference a tone quite different from what Gemayel and Geagea would have liked it to be. It is obvious that between the communique of the bishops three days before the Bkirki meeting and that published at the end of the meeting, a drastic change has occured. This change means that many responsible persons in the eastern sector are realizing that Amin Gemayel is leading them once more to adventurism, and probably to a new tragedy.

We have talked with a number of personalities in the eastern sector — though of course not with Gemayel or Geagea's people — and they realize with us that Amin Gemayel, as former President Franjieh has said, is a permanent foiler of the peace initiative. He is a constant plotter and no agreement with him will last more than a few hours. We've experienced this before the battle of the mountain, when we tried to avoid the disaster. We've also experienced this before the May 17 agreement, when he

would heed no advice from anyone, and precipitated the country into a catastrophe. We've also experienced this at Geneva and Lausanne, when he blew up all the chances to reestablish peace in Lebanon. Then we've also experienced this in the <national unity> government. And let me make it clear that by <we> I do not mean the PSP or Amal or all the forces on the western side of the demarcation line. I think that most of the Maronites, and all other Christian leaders agree that Amin Gemayel's main characteristics are that he is the champion of lost occasions, missed opportunities, that his is an erratic policy and that he has led the Christian community to a number of major disasters. Yes, we can already witness a change in mood in the eastern political scene.

What are the results of your latest meetings in Damascus with the Syrian vice-president and the Amal and Lebanese Forces delegates?

These meetings were not confined to Khaddam, the Lebanese Forces and Amal. We did, of course, meet with Khaddam who informed us about the various talks he had in Damascus with different Lebanese groups. But our meetings were significant because we also met with Hobeika allies in the Lebanese Forces, with leaders from Zahle and with the Franjieh group, present there in the person of his son, Robert. In other words, the meetings were a sort of probe into this wide political base, this political front struggling for Gemayel's removal.

If political pressure fails to achieve any goals, do the nationalist forces intend to resort to military means of implementing the tripartite accord? And does the escalation on the Souk al-Gharb front fit in as <political pressure?>

Here I would like to split the answer.

On the one hand we are not going to use force to implement the tripartite accord. We believe that this accord will take its natural course through the constitutional process when a true national unity government endorses it and sends it to parliament. And we are confident that both the government and parliament see that this accord is really a unique opportunity to get the country moving toward peace.

On the other hand, and also about the use of military force, may I point out two things:

It is Amin Gemayel and Samir Geagea who, by the January 15 coup started the use of force against the tripartite agreement; against the parties who signed it. Therefore we believe that Gemayel and Geagea have already chosen the military option.

Franjieh, in his call for Gemayel's resignation, said the opposition will use all possible means to remove Gemayel if he refuses to resign. We may have to pay a price for this, but whatever the price, the salvation of the country comes first, and you can easily interpret what <all possible means> means.

How do you expect the situation in South Lebanon to develop should UNIFIL's term not be renewed in April?

Amal leader Nabih Berri and ourselves have received reassurances lately from various diplomats here that the UNIFIL mandate will be renewed in April. But whatever the case, the Lebanese, and particularly the southerners, are permanently blackmailed, warned that if they make such and such a political or military move, Israel will force UNIFIL to withdraw, leaving them face to face with the Israeli war machine again. Our reply to this threat, and with all due respect to the mission accomplished by UNIFIL is that we are already face to face with the Israeli war machine and with its allied militia in the South.

Therefore, I don't think a UNIFIL withdrawal will mean more suffering. The southerners are already enduring a lot, despite the UNIFIL deployment.

On the other hand, those who are calling for the removal of UNIFIL for political ends must realize that national resistence will escalate to an unequal degree should UNIFIL withdraw. Hence the issue is a double-edged sword. We will still pressure the world community, the main powers to obtain the implementation of Resolution 425 and the deployment of UNIFIL not northward, but southward to our internationally - recognized borders, so that we recover full sovereignty over our Lebanese territory.

Sayyed Mohammad Hussein Fadlallah said a true state can only be built on a <victor and vanquished> basis and that a showdown is therefore necessary. Do you agree with him?

I do. This showdown has indeed started, but maybe, and for the first time in 11 years, it is not a showdown between Christians and Moslems, but between the forces of change, the forces that are calling for a new system in Lebanon, a more democratic system, and the conservative forces. The forces of change are present on both sides, Moslem and Christian, and so are the conservative forces.

The showdown has started. It has started with the signing of the tripartite agreement, it is developing and escalating in our battle against Amin Gemayel, who is the main stumbling block between Lebanon and peace and change. There will be a victor and vanquished, though not along sectarian lines. There will be a majority of Christians and Moslems as victors, and a minority of Christians and Moslems as the vanquished party.

In other words, you are implying that the tripartite accord will win ?

Yes, and change also will win.

Fadlallah also said that now is the best opportunity to abolish political sectarianism, since waiting ten to fifteen years would only make such a move more complicated as a result of accrued fanaticism. Do you agree ?

Of course, we would have liked to obtain a document calling for the immediate abolition of confessionalism. This is one of the main objectives of the PSP. It was the ultimate hope of the late Kamal Jumblatt. If the tripartite agreement provides for a transitional period, it is because this

agreement is a compromise between the fellow forces that signed it, and through which none of the three parties could obtain their full objectives.

I think the three signatories have each had to make concessions to obtain the final agreement. Therefore, I would agree with Sayyed Fadlallah about the wish to abolish confessionalism immediately, but I maintain that politics «is the art of the possible.»

What would be the position of the PSP in case of a renewed camp war?

Despite the skirmishes that occur here and there occasionally on what is called the camp fronts, I do not see the possibility of a full camp war developing again in Lebanon now.

Of course, we know that some Palestinian forces hostile to the Syrian option might try to interfere with the actual process of change in Lebanon, just to inflict a political defeat on Syria.

However, I do not think the Lebanese nationalist forces will allow anyone to interfere with our struggle to implement the national solution in Lebanon. Therefore, I would say that the PSP and its allies in the national camp will show solidarity to avoid any camp war, to foil any attempt by agents on either side to create such a war, and will in no way allow such a battle to start or develop again in Beirut or any other part of the country.

How would you explain the occasional skirmishes in the camps?

I believe this is one of the last cards being played by Palestinian reactionary forces and some agents of the Deuxième Bureau in West Beirut. It is all too easy to start a little fight at the entrance of a camp and create a skirmish. But I do not think anyone in our camp will allow these to develop into a full-scale war.

Despite his close alliance with Syria, Franjieh has objected to certain clauses of the tripartite accord. How do you explain this?

President Franjieh has his own opinions on any political issue or any document. This is very natural and does not mean he is against the accord. He clearly is with whatever constitutional and legal amendments a normal government and parliament would endorse. He has said he would respect this decision, whatever it is. In the meantime, he is committed to many of the major clauses of the accord. We consider him as a major ally, and think it very natural that some people are committed to the full of the accord, others to 95% of it, and others still to 90% of its text. When you have a large alliance, you should expect some nuances. As for ourselves, we are fully committed to the accord and consider it a package deal that was very carefully studied. It establishes a new, more democratic equilibrium, and we think that any changes in its text may disrupt its careful balance. ●

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INFLATION JUMPS IN 1985

Beirut CENTRAL NEWS AGENCY in English 10 Jan 86 pp 17-19

[Text] The Amalgamated Trade Union Movement has published the statistics for the rate of increase of the consumer goods for the past year. The figures show that the rate of increase between December 1984 and December 1985 of the price of the entire consumer basket reached 69.7%. The average rate of increase of the terms one by one was 64.4%.

The following tables illustrate these figures:

Item	Percentage Representation	December 1984 Figure	December 1985 Figure
Foodstuff	42.8	916.0	1553.3
Linen & Clothing	8.55	1082.8	2131.4
Housing	23.45	301.0	454.4
Other Expense	52.2	869.90	1431.1
Total	100%	Average 774.2	Average 1314.2

Rate of increase of consumer prices since December 1984

Item	Percentage	Since Dec. 84	Since Sept. 84
Foodstuff	42.8	69.6	-1.6
Linen & Clothing	8.55	96.8	37.2
Housing	23.45	50.9	18.0
Other Expenses	25.2	64.7	17.9
Total	100%	69.7	9.1

As the figures shown above illustrate, Lebanon has been taking a new course in the pattern and rate of spending. Because following the sixties where the rate of increase in the consumer good prices was minimal, the seventies showed

a rate of price increase close to 20%. But during the last quarter of 1985 the rate of increase has changed dramaticaly following the drop in exchange value of the lebanese pound relative to the other currencies.

As result of this drop in value of the lebanese pound the public deficit attained an even higher level due to the effect of the cumulative interest rate.

These figures were given by the President of the A.T.U.M., Antoine Bechara. Mr. Bechara had visited the former President of the Republic Suleiman Frangieh yesterday. Following the visit, Bechara said that the country could not go on with the present disorder in the economy. "There has been too much talk and very little done about the mess", Mr. Bechara said in his statement which he published.

But the President of the A.T.U.M gave the list of recommendations which represented the desired cure for the whole mess. They consist of the following:

Recommendations

The national dialgoue and National Entente should secure the following aims:

*To stop the fighting.
*To agree on a political formula which enables all the citizens to get equal consideration by the legal system over all the lebanese land.
*To re-activate the government sectors and to stop the effects of the long period of disorder.
*To draw national budgets aiming to strengthen the productive sectors to arrive at an acceptable level of development.
*To direct the issue of Government bonds towards the productive sectors which are capable of securing the desired levels of industrial advance.

Otherwise Strike

The statement by Mr. Bechara commented on these figures and said that it was unfair to put the blame of the poor performance of the economy on the worker alone. Because, the statement added, the worker has little to do except ask for wage adjustment.

But the A.T.U.M. knows that to treat the problem through wage increases alone is to go deeper in the vicious circle of wages and prices.

So according to these principles, the A.T.U.M demanded to have an overall re-appraisal of the problem with a view to treat the roots of the disease instead of trating the symptoms alone. This consists, the statement went on, in helping the productive sector stand up again in the face of all the odds. The value of the lebanese pound on the exchange market would thus regain its former respectable level and its former buying power. On the other hand the rate of unemployment would decrease.

The A.T.U.M considered that its demands could not be broken down and form an entity. Either the demands would be treated in their entire aspect or else the A.T.U.M would have little choice but to go on open strike until all the demands would be met. Needless to say that these demands represent an introduction to the overall solution of the national problem. And this is the solution which the A.T.U.M has always asked for and has obtained little results from the government in answer to its requirements.

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CURRENCY ATTEMPTS TO WEATHER POLITICAL STORM

London MIDDLE EASTERN ECONOMIC REVIEW in English 25 Jan 86 p 23

[Text] THE Lebanese pound has fallen to an all-time low of about $1 = £Leb 20, following the recent blows dealt to the 28 December peace agreement signed in Damascus.

The slide began as President Gemayel and Syria's President Asad failed to resolve their differences about the agreement at 12-13 January meetings in the Syrian capital. Maronite militia leader Elie Hobeika's subsequent overthrow by Christian rivals opposed to his signing of the peace pact put additional pressure on the pound, and once more raised questions about the economy's survival. Indeed, Hobeika had cited Lebanon's continued economic decline as a key factor in his support for the Syrian-sponsored agreement.

Banque du Liban (central bank) has tried in vain to stem demand for dollars and other currencies by intervening in the market. According to governor Edmond Naim: "The political and security situation plays a far greater role in determining the value of the pound than the actual economic situation in the country."

The fight to oust Hobeika inflicted heavy damage in Christian east Beirut. A fire destroyed two storage tanks in Dora, with the loss of about 450,000 gallons of petrol and a smaller quantity of white spirit. The value of the destroyed property, owned jointly by the government and Tripoli-based Wardieh Holding, is put at $500,000 by a local distributor. There was also extensive damage to factories and warehouses in the Karantina district.

East Beirut business people are anxious to heal the split between the Christians and Syria. Says one industrialist: "It is imperative to organise our relations with Syria for a number of reasons, including economic self-interest. We should seize the opportunity to climb out of the abyss. For me, Damascus is both an opening and a guarantee."

The northern port city of Tripoli has made a significant recovery since Syrian troops moved in three months ago. Twenty companies have started doing business and five Beirut banks have opened branches there, says Tripoli Chamber of Commerce & Industry head Hassan Mounla.

Traffic at Tripoli port has almost quadrupled since the Syrian takeover, to 50,000 tonnes a month. The weak Lebanese pound has boosted sales to Syria of building materials, and electrical and consumer goods. "As we are no longer isolated, things are much better from an economic point of view," Mounla says.

Improved security countrywide is considered essential if the economy is to recover: business leaders see no threat in the plans for closer economic co-operation with Syria outlined in the Damascus agreement. According to Roger Tamraz, head of the part state-owned banking concern, Intra Investment Company: "On the basis of personal and professional contacts with Syrian leaders, I know they have no intention of interfering with Lebanon's traditionally free economy."

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CENTRAL BANK SAYS CURRENCY RESERVES DOWN

London MIDDLE EASTERN ECONOMIC REVIEW in English 8 Feb 86 p 23

[Text]

Continuing pressure on the Lebanese pound because of the latest political crisis has nearly halved foreign currency reserves since November, Banque du Liban (central bank) figures show. Reserves now stand at $ 550 million, compared with about $ 1,000 million two months ago. The fall is attributed, in particular, to central bank interventions to stabilise the local currency, which has fallen to about $ 1 = £Leb 25, from $ 1 = £Leb 18 in early January.

The central bank sold $ 164 million in January to support the pound; on 4 February, the bank released $ 27 million towards the end of trading, bringing the currency back to $ 1 = £Leb 22 from a low of $ 1 = £Leb 27.50 earlier in the day. Beirut brokers say trading is going on "at any price," and that the market remains volatile.

The currency crisis, which has led to sharp increases in food prices, is directly related to the collapse of the 28 December Syrian-backed peace plan.

A renewed bout of heavy fighting is expected to erupt at any moment, pitting Syria's local allies against Maronite Christian opponents of the plan -- notably militia leader Samir Geagea and President Gemayel.

Central bank foreign currency reserves increased in the second half of 1985, after reaching a low of about $ 300 million early in the year. The increase was reflected in the $ 249 million balance of payments surplus recorded at the end of the year, after deficits of $ 1,353 million in 1984 and $ 933 million the previous year.

The surplus is also attributed to the influx of funding for the various militias, and cuts in consumption and foreign travel resulting from the local currency's depreciation.

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CENTRAL BANK FINISHES HALF-YEARLY REPORT

Beirut CENTRAL NEWS AGENCY in English 6 Jan 86 pp 17-19

[Text] The Central Bank has finished the half-yearly statistical report which lists the detailed situation of the commercial banks working in Lebanon as far as the deposits and credits are concerned. This statistical report was due a long time ago but the absence of the officer in charge of the statistical section in the Central Bank Dr. Andre Chouaib has prevented the branch from operating as expected. Consequently and, in spite of its late quality, the value of the report is in its factual value and serves to point out that by the end of the first half of the past year, the deposits have registered a certain stability. It was also noticed that the Balance of Payments showed a net gain according to the figures of the Central Bank.

The following tables list the change in the total deposits at the Central Bank and also at the private banks. The figures are shown first in local currency and then in U.S. dollars. The rate of change of the monthly total is also given.

Assets at Central Bank

Period Ending	Gold & Currencies (in Million L.P)	Currencies (Million $)	(in Mil. $) Monthly Diff.
1984	9259.6	652.3	-
JANUARY	11726.8	611.2	-41.1
FEBRUARY	17229.7	687.5	+76.3
MARCH	18417.2	654.0	-33.5
APRIL	19659.4	751.0	+97.0
MAY	21124.2	937.6	+186.6
JUNE	21068.2	956.0	+18.4
Difference bet. end of year & end of June	-	-	+303.7

Net Assets at Commercial Banks

Period Ending	Net Assets (in Million L.P)	Net Assets (in Million $)	Monthly Diff. Mil. $
1984	13848	1557.7	-
JANUARY	17029	1452.9	-104.8
FEBRUARY	23206	1450.3	-2.6
MARCH	24937	1412.8	-37.5
APRIL	25098	1455.8	+43.0
MAY	21704	1363.3	-92.5
JUNE	21364	1365.0	+1.7
Difference bet. end of year & end of June	- - -	- - -	-192.7

The gross assets (for the two sectors: Private & Public) have registered 98391 Million L.P at the end of JUNE compared to 74354 million L.P at the end of the year. The increase is of the order of 24037 million L.P or by a percentage of 32.3%. These assets had increased by 32.1% at the end of the first quarter. The increase was by 31.7% at the end of April, and by 28.9% by the end of May.

As far as the actual increase in assets is concerned, it is hard to know it for sure because the figures do not show the assets in lebanese currency and in foreign currency. The increase if any is theoretical because the rise in exchange price of the U.S dollar from 8.89 L.P at the end of 1984 to 15.65 L.P at the end of June 1985 is of the order of 76%.

The second half of the year has witnessed an increase in deposits in lebanese currency due to the decrease in the exchange price of the U.S. dollar.

Loans to Private & Public Sectors

Loans to the Private sector have registered 51009 Million L.P by the end of June compared to 43267 million L.P by the end of 1984. The difference is of the order of 7742 million L.P and the percentage increase is 17.9%.

This limited increase reflects the stagnation that has reigned in the different sectors. This stagnation is evident in the lack of investment in the fields of expansion and new projects. The only item that has shown some progress is the investment of foodstuff sectors.

Net Assets

In spite of the decrease in the actual value of the U.S dollar abroad and in spite of the decline in bank operations in foreign currencies, the net assets in private banks have registered a fall. Because the figures given in lebanese currency show a rise. But in U.S. dollars, the figures show a fall. Consequently, the increase is only on paper. The actual change is a decline. The estimated decline is by 192 million dollars up to the end of June.

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INDUSTRIAL FIGURES SHOW ACCELERATED DECLINE

Beirut CENTRAL NEWS AGENCY in English 17 Jan 86 pp 17-19

[Text] The President of the Technical Branch of the Ministry of Industry, Engineer Imad Nawam, has submitted a detailed study of the lebanese industry giving some important facts on the economic deterioration, like when it has started and when it is likely to finish. According to the study, the breakdown of the Economy has started way back in 1982 and has been compounded by the political instability. Since then this economic deterioration has only been going down following the same stance as the political situation.

The other factors which have affected the progress of the lebanese economy are as follows: The increased isolation of the various lebanese regions one from the other, the increased manifestation of the illegal ports in competition with the legitimate and official Beirut port, the diminished control exerted on the availability of materials needed for industrial purpose and other factors like the increased cost of electric power and the soaring expenses of financial formalities and little help provided by the Government.

Table One - Signs of deterioration starting in 1980 till 1984

The Year	Number of Workers in thousands	Imports of L.P Thousands	Exports Thou; L.P
1980	82	507152	1,818,138
1981	80	379753	2,265,529
1982	75	414695	1,924,029
1983	72	539468	1,296,427
1984	68	200479	1,005,078

Many factories were closed as a result of the events. Other factories decided to diminish their output and therefore were forced to dismiss part or all of their workforce; the damages did not spare any area, as the study shows. Even those areas which were unaffected by the fighting were somehow affected but the estimates of total material damages are all guesswork, says the study. Besides, the loss may not be entirely tangible. Some loss may only be assessed if moral values and credibilty may somehow be given a price and so

the loss of prestige and moral standing may be more important for the future than the loss of monewy. It is easy to lose one' credibility but it is very hard to regain it once again.

Signs of Decline and Agony

The study considers the period between the years 1975 to 1985 during which the lebanese demolished what they took time to build in the previous years. For in the five years immediatley preceding the events, the lebanese industry was making giant steps forward and establishing itself ahead of all its competitors in the area.

In that period of progress for the lebanese industry, the annual rate of growth of the average investment was about 8% as regards the employment of labour and 19% as regards the money investment. But in the field of exports, the rate of annual growth was nearly 43%. But over the five years since 1985, the lebanese indusry has been declining at the worrying rate of 4.5% annually for the hand labour employment and by 12% for the industrial investment and by 11.25% annually for exports.

By analysing table one, we notice that the deterioration has drasticaly affected exports, which declined by 15% over the period quoted. In the single year 1983 the rate of decline was 32% compared to the previous year.

In 1984 the rate of decline was less, 22%. But if you take into consideration the difference in the rate of exchange of the U.S dollar, the rate of decline of the year 1984 would reach then the awesome figure of 50%. But the decisive year as far as the decline of the lebanese industry is concerned is undoubtedly the year 1984 for more than one reason but primarily as a result of the occupation of part of Lebanon by the advancng israe'i defense forces.

Conditions for a return of health to industry

The study recommends the following conditions to be satisfied before the country can hope to follow the path back to health and progress:

1) And this may be the most important prerequisite of this return to the former good health and good reputation. This prerequisite is undoubtedly the return of the legitimate and legal forces of the government to their former manner of exercising their power and their discipline over the entire lebanese land.

2) To put a stop to the rate of growth of the exchange value of the U.S. and foreign currencies in general. In spite of its positive effect on the internal consumption market for the locally produced items, this factor affects the importation of needed parts for the industrial process in general.

3) To help the financial institutions function regularly as before. These institutions, especially the Government loaning institutions have an essential role to play in the industrial process failing which the whole process comes to a relative halt.

Such important institutions are as follows:

The National Bank for Industrial and Touristic Development

The Export Security Institution. This one is important especially as far as the exports to the gulf countries are concerned.

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GOVERNMENT PLANS TO COMBAT 'SUGAR MAFIAS'

Beirut CENTRAL NEWS AGENCY in English 25 Jan 86 pp 17-19

[Text] While the currency market is taking a break following the last few days which brought very important developments and threatened to break the economy, the people have started to look elsewhere in a bid to find out what could be done about the whole mess and what could be salvaged before the fire swallows what is left of the good health of this country and while the dream of the twentieth century prosperity lasts.

Obviously the supply of foodstuff is the next best item of conversation after the political issues. And there is plenty to talk about starting with the sugar and flour situations.

In fact the sugar question was the subject of the meeting which took place yesterday between, on the one hand, the Minister of Economy, Victor Qasir and on the other the acting Director General of the National Office of Grains and Sugar Beetroot, Engineer Raji al-OBassat together with the two economic advisors to the Minister, Mr. Munir Barbari and Lawyer Wadi Dawd.

Also on the agenda of the meeting was the food supply situation to the Al-Biqa' Valley area where the closure of the usual roads leading from the capital across Dhur al-Shuwayr have resulted in a crisis as far as the flour and sugar supply are concerned, to take only these two items into consideration.

Minister Qasir Suggests

But while we are on the subject of sugar, an application was addressed to the Cabinet by the Minister of economy, Victor Qasir. He suggests in this application that ten thousand tons of local sugar be taken out of emergency sugar stock reserved in the Government warehouses and offered on the retail market at reasonable prices to curb the present sugar shortage which has been growing more and more serious due to the devaluation of the lebanese pound.

This quantity of sugar reserves is estimated at close to 20 thousand tons. In addition to these reserves, the local sugar production for this year, about 3973 tons, were delivered to the Government economic authorities lately boosting the total sugar present reserves to about 23.5 thousand tons.

The picture looks very good and there could be no reason to worry about the future if the lebanese markets were not subject to the periodic waves of monopolies of commodities by the greedy merchants.

In fact sugar has been hard to find for quite some time on the local markets. It was to be found most likely on the black markets where up to ten pounds per kilogram were charged without fear of fines by the consumer watchdog committees or by any other Government authority for that matter.

Therefore, to break the sugar mafia and to enable the average citizen to buy his sugar needs at reasonable enough prices, the Minister demanded that ten thousand tons of sugar be offered for sale at the greater supermarkets capable of standing up to the challenge.

Sugar Mafias

If the Government eye can get Myopic every now and then, this shortsightedness could come in handy when some sugar shipments have to cross the borders into the country at certain illegal ports or under other assumed labels.

This is the case of two sugar shipments which were reportedly unloaded in the Tripoli area. There is plenty of money to be made through these underhand deals. And this is why the Government keeps the emergency sugar reserves to prevent he market from being victim to these speculators.

Surely this Government longsightedness is to be commended but the ordinary people are starting to have second thoughts about the soundness of the whole supply policy and about the whole economic policy for that matter.

But the two tenders decided yesterday by the Ministry for the supply of 100 thousand tons of wheat give more evidence that, at least for the time being there is no reason to fear of a major break in the economy.

All that is needed at the present time is for the Government to adopt some tough measures to curb the wave of profiteering which is hitting at the very essence of the lebanese domestic marketing pattern and turning the tables on the Government predictions and planning to make way for the illegal deals designed to make the rich richer and the poor poorer.

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CSO: 4400/114

BRIEFS

VOL OFFICIAL RESIGNS--Tawfiq al-Hindi has resigned from the General Directorate of the Voice of Lebanon [VOL] radio. This followed his resignation from the General Directorate of the Information Department under the Lebanese Forces Executive Committee. Al-Hindi now holds the title of information and political adviser to Samir Ja'ja', chairman of the Lebanese Forces Executive Committee. [Text] [Beirut AL-SAFIR in Arabic 25 Feb 86 p 3 NC] /6662

AMAL'S TAKEOVER ATTEMPTS OF SHI'ITES--Large Amal forces yesterday afternoon began taking control of villages which previously had been under the control of the Hizballah organization. This occurred after the IDF withdrew from southern Lebanon. Sources in southern Lebanon told our correspondent last night that one of the results of the IDF operation was damage to the Hizballah's sphere of influence in the Shi'ite villages north of the security zone, and the exposure of arms and ammunition caches which the IDF blew up before leaving the area. Amal has taken advantage of the opportunity, and has now begun taking up positions in villages which were previously beyond the organization's reach and under the Hizballah's control. The sources in southern Lebanon pointed out that now the deciding stage has begun in the struggle between Amal and the forces subordinate to the Hizballah organization. [Excerpt] [Tel Aviv 'AL HAMISHMAR in Hebrew 23 Feb 86 p 2] /6662

CSO: 4400/110

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

NGPF STATEMENT CONDEMNS MARXISTS FOR ADEN BLOODSHED

Cairo AL-WAHDAH in Arabic 1 Feb 86 pp 16-17

[Article: "National Grouping in Statement on Bloody Events in Aden Confirms Failure of Marxist Presence To Solve People's Economic, Social, and Political Problems"; Cairo AL-WAHDAH in Arabic; monthly organ of the National Grouping of Patriotic Forces in the Yemeni South]

[Text] The National Grouping of Patriotic Forces [NGPF] in the Yemeni South confirmed the Marxists' failure to solve the people's economic, social, and political problems. The grouping called for the establishment of a democratic national rule based on justice, love, fraternity, and honor and the realization of national unity as a means for realizing Yemeni unity and a better tomorrow.

A statement issued by the NGPF last 20 January, right after the bloody events, said that "while we condemn the ruling party in Aden and hold it responsible for the destruction and loss of life, we reaffirm our support for our great people and we will spare no effort to end their ordeal and put a stop to the bloodshed."

Below is the full text of the communique:

To Our Great People

To All Our Brothers in United Yemen

To All Our Brothers in Islam and pan-Arabism:

At this difficult point in our nation's history, while our wounds are bleeding everywhere, and after many dreadful years of suffering, our long-suffering people in the Yemeni south are being subjected to a severe and harsh ordeal which is costing them dearly in more defenseless lives and more private and public possessions and economic institutions on top of the high costs they have already paid at the hands of those rulers in Aden who have ravaged the country in order to obliterate their personality, beliefs, values, and ideals.

The bloody events which were unleashed by the struggle for power among the Marxist regime parties in Aden brought out several facts, the most prominent of which were:

First, the Marxists have failed to solve the people's economic, social, and political problems. Rather, they have brought on more problems, fragmentation, and deterioration in all fields. They have always failed to provide the most fundamental elements of security and stability for the citizenry.

Second, renunciation of the principles and goals of the 14 October revolution, those concerning national unity and Yemeni unity in particular, and replacing them with the principle of hatred and bloody struggle will only reap more hatred and struggle and, consequently, further dissipation of our people's gains and triumphs in the north and the south.

Third, those who belittled the most basic values of human relations and conduct and had no regard for the morality of fellowship and common destiny among themselves and were not graced with statesmanship but instead subjected national security to danger and brought ruin and destruction upon the entire country have proved that they are neither reliable nor fit to realize the lofty goals to which our nation aspires for they have proved by their conduct that they are the country's worst enemies and that they are unfit to fulfill their role of leading the people and, consequently, to occupy the seat of power as representatives of the government's legitimacy.

To Our People Everywhere

The 23 January events and subsequent events against which we have often warned have undoubtedly led to the collapse of government institutions of all kinds and have caused the destruction of the country's economic structures, the loss of innocent lives, the demolition of entire neighborhoods, and great harm to the people, who have lost the most important necessities of life and are suffering the worst hardships. This calls for prompt action in order to save the people and eliminate the harmful effects of this situation.

Therefore, the NGPF in the Yemeni South urges our people, who are enduring their sufferings with courage and perseverance, to consolidate their unity and steadfastness and spurn and uproot this rancourous group which has dominated and controlled the people, settling its problems by the force of iron and fire and destruction at their expense.

There is no other way to face this series of sufferings and abuses by the renegade Marxists except by holding fast to God, uniting our ranks, and establishing a democratic national rule based on justice, love, fraternity, and honor and the realization of national unity as a means to Yemeni unity and a better tomorrow.

We, from this point of departure, and while we condemn the ruling party of Aden and hold it responsible for the destruction and loss of life, reaffirm our support for our great people and spare no efforts to end their ordeal and put a stop to the bloodshed so as to restore normal life. This can only be done through the realization of our people's strategic goal, to which we have long aspired and for which we have sacrificed hosts of martyrs: national unity, for immediate Yemeni unity is the hope and destiny of our people, and laying firm foundations for security, stability, and development throughout Yemen.

Furthermore, we implore all Arab leaders, kings, and presidents of Islamic and Arab countries, and peace-loving international and philanthropic agencies to endorse our people's just cause, to free them of this nightmare, to refrain from recognizing this malicious group represented by the ruling Marxist party in Aden which must not be allowed to return to power, after proving its incompetence and illegitimacy, and to rush all the aid and relief they can to the citizens directly through philanthropic institutions.

We stand by now, O sons of our people, in word and deed, regardless of all circumstances and hardships. The night of dark injustice is almost over and the dawn of freedom and salvation is on the way, God willing. We turn to Him for victory and success.

"Those who do wrong will come to know by what a great reverse they will be overturned!"

Issued by the National Grouping of Patriotic Forces in the Yemeni South.

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CSO: 4404/222

QATAR

BANKS REQUIRED TO PUT PERCENTAGE WITH MONETARY AGENCY

GF191454 Dubayy KHALEEJ TIMES in English 19 Feb 86 p 1

[Article by R. Mohan]

[Excerpt] Doha--All banks in Qatar, national and foreign, will have to deposit three per cent of their own deposits with the Qatar Monetary Agency (QMA) from next month. This is the first major step by QMA since its inception in 1973 in exercising control on banking activities in the country, bankers here said yesterday.

The reserve requirements laid down by the QMA in its circular last week to all the banks fix different percentage for each of the deposit categories, time, demand, margin and foreign currency. The overall percentage works out to about three per cent.

Bankers here see it as one of the first of several more measures seeking to enlarge the role QMA has been playing in the banking sector. Hitherto the QMA was content with an annual inspection of all banks and in supervising activities. All banks have to have at least QR 4 million as capital, lodged within the country.

The QMA's enlarged role comes at a time when the banking sector in most of the neighbouring countries is undergoing tumultuous changes, one of the bankers said. However, banks in Qatar have been spared the discomfiture of mergers, capital requirements and major changes in policy. Most managers of foreign banks feel that the QNA's policies have been benevolent and evenhanded.

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CSO: 4400/108

QATAR

BRIEFS

OIL PROSPECTING AGREEMENT SIGNED--Doha, 16 Feb (WAKH)--Qatar and Amoco Qatar Petroleum Company signed today an agreement for oil prospecting in the Qatari Peninsula. The concession was signed by the Qatari Minister of Finance and Petroleum Shaykh 'Abd al-'Aziz ibn Khalifah Al Thani and the company's president for the Middle East and Africa, O.D. Gaither. In a speech following the signing ceremony, Shaykh 'Abd al-'Aziz told the QATARI NEWS AGENCY that the agreement, which is based on production sharing and has a duration of 25 years, covers most of the Qatari Peninsula, except for the Dukhan field area to the West and a part in the north east. Shaykh 'Abd al-'Aziz said that under the terms of the agreement, the company will bear all the costs of prospecting, development and production with retrieval of costs coming only after crude oil has been discovered in commercial quantities and the company has started production. Shaykh 'Abd al-'Aziz noted that the agreement today was the second cornerstone in the development of Qatar's oil wealth by encouraging prospecting works. [Text] [Manama WAKH in English 1530 GMT 16 Feb 86 GF] /8309

CSO: 4400/108

COMMENTARY SCORES U.S. VETO IN SECURITY COUNCIL

JN071425 Damascus Domestic Service in Arabic 1230 GMT 7 Feb 86

[Station commentary]

[Text] The new U.S. veto in the Security Council to prevent condemnation of Israeli terrorism did not surprise anyone who is aware of U.S. policy and U.S. involvement in all terrorist, hostile, and expansionist schemes against the Arab nation. This disgraceful U.S. stance affirms that Israel's piratical act was a link in the U.S. escalation in the region and in the feverish U.S. attempts on both the political and military levels to subjugate the Arab nation and impose capitulation on it.

The U.S. veto in support of Israeli terrorism is not the first of its kind, nor will it be the last veto to which the United States resorts to emphasize its antagonism of the Arabs. This veto shatters all the illusions of those who wager on a U.S. role in the region despite all that has happened and is happening in both the region and the international arena.

With its strategic alliance with Israel, the United States has moved from the stage of supporting and backing Israel and its hostile, expansionist policy to the stage of direct and real participation in the implementation and escalation of aggression against the Arab nation. The marines' invasion of Beirut and Washington's involvement in the Israeli scheme against Lebanon were only an introduction to more hostile U.S. political and military practices in the region. The U.S. military buildup in the Mediterranean and the blatant threat to commit aggression against Syria and Libya reflect to a large extent the gravity of the U.S. policy, especially since the United States did not hesitate to send its fleets and aircraft thousands of miles away to threaten the Arabs and prepare for aggression against them on the pretext of combatting terrorism.

Lately, the U.S. collusion in Israel's piratical act--the hijacking of the Libyan civilian airlines--and Washington's veto in the Security Council came to emphasize that the U.S. Administration is exercising toward the region an Israeli policy with all that that policy means in terms of aggression against the Arabs, intrigue against their causes, and political and military terrorism aimed at subjugating them. Moreover, the U.S. Administration is

exploiting its international policy to serve, cover up, and protect Israeli policy, even if this leads to relinquishing all the prerogatives of being a superpower and a permanent Security Council member state and even if this turns U.S. policy into a burden on the Security Council and into a factor that paralyzes the Council's effectiveness and robs it of the ability to exercise its role in international life.

In view of this reality, the Arab nation must adopt a unified firm stand to counter the U.S.-Israeli aggression against it and fill the loopholes through which U.S. policy is trying to penetrate and weaken the Arab stance. The Arab nation must deal with the United States on the basis of its being a direct partner in the Israeli aggression.

Events and their developments emphasize that any wager on U.S. policy is a lost one that will fetter the Arab nation with a U.S.-Israeli shackles. The U.S. veto in the Security Council underscores this fact and places all the Arabs before their responsibilities. They must respond to the serious challenge facing them and adopt the necessary measures to bridle the U.S.-Israeli policy of aggression and prevent it from realizing its objectives. The Arab nation possesses capabilities and energies that enable it to achieve this major, essential strategic goal.

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CSO: 4400/110

TISHRIN TERMS U.S. STATEMENT 'TEST BALLOON'

JN171209 Damascus SANA in Arabic 0840 GMT 17 Feb 86

[Text] Damascus, 17 Feb (SANA)--The newspaper TISHRIN has affirmed that the glittery statement issued recently by the U.S. State Department on the Palestinian people's rights was new bait for pro-U.S. Arabs and those chasing after capitulationist settlements.

In a comment under the headline "Washington's Traps," the newspaper says that the sides to the new and old Camp David very quickly caught this poisoned bait and again began to propagate the U.S. settlement. It has even been said that the leader of Palestinian deviationist course, Yasir 'Arafat, may stage the surprise of the season in Cairo and openly announce his recognition of Resolutions 242 and 338 going even further than Al-Sadat who one day announced his readiness to visit the Israeli Knesset.

The newspaper adds that the U.S. Administration changed its position and withdrew this bait following the Israeli protest and request for an explanation of the U.S. State Department's statement. The United States reiterated its commitment to its Israeli friends and its previous stands which are based on prior Palestinian recognition of Israel.

TISHRIN explains that the U.S. statement was on the one hand meant as a test balloon to drag those running after the U.S. settlement and on the other to absorb the mammoth Arab indignation following the U.S. use of the veto three times in 1 month to prevent the condemnation of Israel's arbitrary and piratical acts.

The newspaper says that the Reagan administration is still setting traps for Arabs to fall in and to embark on direct negotiations with Israel in order to save the Camp David process and to maintaining the U.S. forward positions in the Middle East.

Concluding, TISHRIN calls on the Arabs to adopt a serious and responsible stand to confront the U.S.-Israeli challenge and avoid falling into the trap.

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CSO: 4400/110

SYRIA

AL-BA'TH ASSAILS YASIR 'ARAFAT'S 'NEW GAME'

JN180942 Damascus Domestic Service in Arabic 0345 GMT 18 Feb 86

[From the press review]

[Text] Under the headline "The Clique of Deviation and the Noose of U.S. Deception," AL-BA'TH editorial says: It is no longer difficult for the Arab citizen to follow the main lines that lead to 'Arafat's new game and the dire consequences of this game in terms of its destructive results on the Palestinian problem in particular and the Arab-Zionist dispute in general.

The paper says that 'Arafat recently tried to give the Arab public opinion the impression that he is still not interested in a humiliating settlement, that he is still rejecting Resolution 242 because it does not recognize the Palestinian people's legitimate rights and Palestinian self-determination on Palestinian soil. However, through diplomatic channels, mainly Egyptian, 'Arafat was asking the United States to give him an outlet through which he can accept Resolution 242 and appear as a savior of the Palestinian people so as to improve his tarnished image as a trader in the cause and a compromiser on its future.

Although Richard Murphy, assistant U.S. Secretary of State for Near Eastern and South Asian affairs, has indubitably asserted that the U.S. stand on the proposals for Middle Eastern political settlement has not changed, 'Arafat, relying on unreliable Western news reports citing a U.S. spokesman of little importance as saying that the Palestinian issue is more than an issue of refugees, has started to highlight that there has been great progress in the U.S. position and a positive development in the current endeavors to hold direct negotiations with the Zionist enemy.

The paper asks: Even if it were true, what is new or positive in the U.S. official spokesman's statement? How did 'Arafat interpret the new U.S. statement that the Palestinian issue is more than an issue of refugees? The paper concludes: This statement, to which 'Arafat is now clinging and to which he has tied his fate, cannot save him from drowning because in the view of the Arabs and the world it is made of straw and will not stand any strong wind. The Palestinian people's rights cannot be computed on the table of direct negotiations or reached through a U.S. trick that does not deceive even the ignorant. 'Arafat has drowned in this quagmire of deviation and compromise. Statements by anonymous U.S. spokesman, and safety nets cannot save 'Arafat from this quagmire.
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CSO: 4400/110

FOCUS ON PAKISTANI BORDER TO HALT REBEL ATTACKS

Bangkok THE NATION in English 12 Feb 86 p 13

[Article by Tom Heneghan]

[Text]

JALALABAD, Afghanistan — Sooty Soviet and Afghan Mi-24 helicopter gunships, guided from a control tower hidden under camouflage nets, thump down and whoosh off again from this mine-ringed airport like commuter trains.

The village of Shinwar, a government bastion only 20 kms from the Pakistani border, greets its guests with two lines of armed tribal militiamen standing shoulder-to-shoulder down the whole length of its dusty bazaar.

Pakistani Pashtun tribesmen, living in a college dormitory here for the past month, speak of army aggression in their native Khyber Pass and complain they have no news of their families.

This is Nangarhar, a scenic province of olive and orange groves which has become the frontline for Kabul's battle against its Muslim rebel foes and its campaign to win the fickle border tribes over to its communist revolution.

Operating from bases like Jalalabad's busy airport, Soviet and Afghan forces have in the past year stepped up lightning raids, short sweeps and full-scale offensives to block the trails the rebels use en route from sanctuaries in Pakistan.

Kabul has also lavished money, arms and official flattery on the Pashtuns — both those in Afghan villages like Shinwar and in areas like the Khyber Pass on the Pakistani side of the rugged mountain border — to get them to stop the rebels from crossing their territory.

The two-pronged assault has had some success.

Guerrilla leaders in the Pakistani frontier city of Peshawar, where most rebel parties are based, say the pounding attacks last year made it harder to send men and arms inside.

Some Pashtuns in the Khyber Pass have begun following Kabul's call and arresting guerrillas who trespass on their lands.

But, as a saying goes about the tribesmen who stymied all Britain's attempts to control them, the Pashtuns can always be bribed but never bought.

Although both Pakistan and Afghanistan are wooing them, the Pashtuns' independent nature seems to rule out any alliance.

The closest thing to war foreign journalists visiting here saw last month were the well-used helicopters, some with their rotors still turning as our Afghan AN-24 paratrooper transport plane from Kabul landed after an ear-popping corkscrew descent meant to evade any rebel ground-to-air missiles.

But precautions were extensive, starting with radars and rows of mines around the high-security airport, past mud-walled military posts along the lonely roads and right down to the tribal militia mobilized to help defend pro-communist villages.

Shinwar, where several hundred turbaned militiamen lined up to greet their guests, has been a government stronghold since before Soviet troops entered Afghanistan in 1979. Fortified posts guard its approach roads and survey the

rocky Jalalabad Plain and the snow-covered Spinghar mountains to the south that are crisscrossed by rebel infiltration routes.

The militiamen kept their Kalashnikov automatic rifles or older .303 guns with them at all times, even at their literacy classes taught twice a week by an Afghan army lieutenant.

At Hadda, one of four lush state farms on the fertile Jalalabad Plain, manager Anwar Spinghar said half his staff was armed. Output could double if there were no war, he said.

"They work with a rifle in one hand and a tool in the other," Spinghar remarked.

As part of its drive to win tribal support, Kabul has begun investing in the border areas, distributing food and clothes, repairing mosques and opening schools, said Asad Kishtmand, deputy head of the party's International Relations Department.

A good part of the $130 million the government has spent to aid minorities has gone to the border area, he said.

Some aid also goes across the border, the 1893 Durand Line which Kabul has traditionally rejected as imposed by British colonialism, to feed and clothe the "Pashtun brothers" on the Pakistani side, Kishtmand added.

What else goes over, like opium and arms, is in dispute.

Pakistani, US and United Nations drug experts say opium is widely grown in eastern Afghanistan and sent to heroin labs in Pakistan's lawless tribal area. Kabul denies this.

Abdul Rashid Waziri, deputy minister for tribes and nationalities, denied Kabul was sending arms to the tribal belt.

But Wali Khan Kukikhel, the leading dissident malik (chief) in the Khyber agency, told Reuters last October he had received hundreds of Kalashnikovs from Afghanistan.

He said in an interview with the Islamabad Daily Muslim in late January that Waziri himself had sent 8,500 rifles to the Pakistani tribal area known as South Waziristan.

In all, Kabul has sent 35,000 rifles into Pakistan's tribal belt, said Kukikhel, who is now hiding in a remote part of the Khyber Pass after Pakistani troops destroyed his house and occupied his home area at the mouth of the pass in December.

The Pakistani offensive in the Khyber, which Peshawar officials said was aimed at drug traffickers and pro-Kabul chiefs, gave Afghanistan a golden opportunity to present itself as the natural ally of the border tribes.

Since the unprecedented crackdown, Afghan newspapers have given lurid accounts of what they call genocide in the Khyber agency. These reports could not be confirmed in Peshawar.

"Paks using F-16s to kill tribes," read one screaming headline in the Kabul New Times. "23 US advisers killed, blasts take heavy toll," read another unconfirmed report.

For the past month, Jalalabad has also hosted about 500 pro-Afghan Afridi and Shinwari Pashtuns who fled their homes in the Khyber agency when the operation began.

Maulvi Habibullah, a blustery 75-year-old mullah (Muslim cleric) from the mountains north of Peshawar, boomed out a fiery anti-rebel speech to journalists visiting the tribesmen at the former winter palace of deposed King Zahir Shah.

But another tribesman, Safir Khan Kukikhel, seemed sobered after seeing his four houses demolished and family dispersed. "We just came here to save ourselves," he said. "We will go back when there is peace." — Reuter

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CSO: 4600/230

JOURNALIST GIVES ACCOUNT OF RESISTANCE MOVEMENT

Geneva JOURNAL DE GENEVE in French 27 Dec 85 p 26

[Article by Jean-Pierre Perrin]

[Text] The thermometer dropped well below zero last night. No luck in finding shelter. The last of the inns have been bombed out and the few hamlets we pass through afford nothing but ruins squabbled over by refugee families on their way to Pakistan, pursued by weariness and cold. Plaintive wails from children, and howls from stray dogs.

The guerrilla fighters and the mules, laden with Chinese-made anti-tank mines, can go no further. We have to stop and practically drive a family out of a shallow cave at the foot of a cliff, so as to steal a few hours of their sleep-time.

Next day, as we are approaching Kabul, we encounter the same dismal sights: cohorts of refugees and dead, abandoned villages. This whole countryside is reverting to desert. And yet, here between Kabul and Logar Provinces, the tiny hamlets have suffered only minor damage. The people here, though, are so fearful of the bombing raids that a few bombs falling nearby are enough to drive them onto the road of exile. From time to time we spot a few children and old people stubbornly working their fields, to keep a herd alive. The only surviving villages or towns are under the direct control of the Afghan or Soviet-Afghan troops.

By now, this entire area south of Kabul, where plateaux and mountains run together into infinity, there is nothing left but an immense battleground waiting for the combatants. Men are no longer fighting here for control of villages or populations. They are fighting just to be fighting.

Every Camp Fortified

Every camp is fortified. On the Soviet side, we have seen such strong-points. At D..., for instance, a straggling village that is still well-peopled, tucked in between two mountain ranges, there was no Soviet strong-point here last year. Today there are six of them, and they look impregnable. In addition, we see a lot of "markaz," those mini-bases the guerrillas have hidden

deep in the mountain gorges, which have been captured. And the partisans we meet tell us that the one we were heading for has just been wiped out by Soviet commandos. They came over the ridges, after their helicopters landed them on the plateau. The partisans made no attempt at resistance. They fled into the natural opening in the cliff-face which their adversaries, oddly enough, had left open. They suffered no losses.

Just about everywhere in Afghanistan the Soviets are trying to break the resistance grip around the towns by attacking its "markaz." Despite this, one of the most powerful leaders in the Afghan resistance, Ab'Ul Haq, 26, who tells us he has already been 14 times wounded in combat, is not complaining. The man they are beginning to call "the hero of Kabul" because of his spectacular raids on the capital, gives us to understand that, on the contrary, his men will now be forced into greater mobility and more readiness for combat, and accordingly will have far less time to loll about and talk in their bases.

Soviet Commandos: "Formidable!"

Until 1984, the Soviet army confined itself to massive offensives against guerrilla sanctuaries, systematic bombing of the rebels' home territories, reprisals aimed at civilians, and making shrewd use of the countless feuds that pattern the Afghan social fabric. At present, the Soviets are increasingly mounting counter-guerrilla operations with elite airborne commandos, who have the reputation--unlike their brethren in the Red Army contingent-- of being formidable foes.

"My men do not fear them," says Abd'Ul Haq. Against these commandos, my men can win at odds of 3 to 1." There is, though, the problem of ammunition. These commandos are constantly resupplied in advance of an operation, unlike my guerrillas who quickly run out of ammunition."

The Mudjhidin have lost no time in building their strength. At first, the growing numbers of engagement led to elimination of some of the minor war-lords, jealous of their prerogatives and particularly incompetent, sometimes ready to play Kabul's game out of weakness or plain greed. Finally, there was the mass exodus of the population and the fear of reprisals against civilians.

A Genuine Strategy

What is more, some of the major resistance leaders are beginning to hammer out a genuine guerrilla warfare strategy. "It is not a good idea for the Mudjhidin to mount major operations," (again, it is Ab'd Ul Haq who explains). "I want our actions to be carried out by small, fast-moving units that attack every day, not just 10 times a year, like so many Afghan fighters.

Besides, little groups can more easily dodge Soviet aircraft, especially around Kabul, where it takes 5 to 10 minutes for the helicopters to reach the scene of our actions."

What has most markedly altered the conditions under which the partisans fight around Kabul is that at last they have access to large numbers of missiles, which they have been begging and pleading for ever since the start of the war. Their missiles are Chinese Sam7Bs and M107s, with a range of some 15 kilometers. The Sam7Bs can chase off Soviet aircraft, even the dread Hind24 and 25s, which had cost the resistance its heaviest losses, and taught them to be a bit more prudent when they engaged the enemy. Such operations involve the use of Soviet aircraft in about 80 percent of engagements.

As for ground-to-ground missiles, it is still hard to assess their impact because they have so recently begun to arrive. Nevertheless, they are worrying the Soviet-Afghan military leaders: even the Afghan defense minister, Mabi Azimi, told the Pakistani daily THE MUSLIM on 17 October that "they are having great influence on the conduct of the war."

Ab'd-Ul Baki, one of Ab'd-Ul Haq's commanders, is not a man to sit idly by and see his "markuz" destroyed. Accordingly, this 30-year-old "malawi" (religious healer), who has already lost his father and two brothers in the war, decides to retaliate. His machinegun emplacements are wiped out, but somehow the commandos missed his arms caches.

Don't Let Them Spot You!

Slung on wiry backs, 25 Chinese ground-to-ground missiles are somehow chivvied to the peak of a ridge. Surprise! The M107s need no mounts, which in any case would be too heavy to lug into the mountains. They are simply laid over large rocks. Their arming is electric, done with crisp, sure moves by the partisans that speak volumes of the training they doubtless underwent in Pakistani camps.

The missiles are deployed in battery formation. The target is an Afghan fort inside the capital. That done, the partisans wait for darkness before firing, so as to avoid being spotted. Missiles away! Now it is only the swift pullout and the long hours of march through the mountains to shake off possible pursuit.

On the way back, refugees fleeing the war are as numerous as before. In a Pakistani camp an old Afghan woman, her gaze fixed on the horizon, despairs of ever seeing her own valley again. "Exile," she says, "means that I cannot be buried in the cemetery in my village."

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CSO: 4619/22

BRIEFS

KHYBER PASS CUT OFF--The tribal zone of Khyber, to the northwest of Pakistan, is completely cut off from the outside world since Sunday's influx of 14,000 troops into this border region of Afghanistan. The roads are blocked, the telephone lines have been cut, and the national press has been asked to observe a total blackout on the situation in this area beloved of Kipling where tensions have been rising for several weeks, now. Islamabad has delivered ultimatums to some dozen or more heads of local tribes that have been armed by the Afghan communist government, calling on them to surrender and to "drive out all "subversive, anti-communist, and anti-Pakistani elements." What the Soviets are trying to do is to turn the entire region into a combat zone in order to make it harder for Afghan resistance guerrillas to get through. Fanning rivalry and enmity among the Pashtun ethnic groups and making hay out of local grudges allows the Soviet-Afghan forces to thwart attempts on the part of the Mudjahidin to achieve rigid control over this zone and thereby to rob them of their Pakistani "sanctuary." The contributing causes of the worsening of the situation in the Khyber Pass include poppy-growing. The tribes recently refused to stop growing the opium poppy that feeds the clandestine heroin laboratories. Khan (local chief) Wali Kubikhel, headman in the village of Ghundai, is reportedly one of the prime targets: he is said to have asked for support from Kabul in the wake of demolition of the drug processing plants in his fiefdom. The Pakistani army has called on him to surrender, but he managed to escape...[Text][Paris PARIS LIBERATION in French 4 Dec 85 p 26] 6182

CSO: 4619/22

IRAN

TUDEH LEADER REPORTEDLY SENTENCED TO DEATH

Tunis AL-TARIQ AL-JADID in Arabic 18 Jan 86 p 15

[Text] News given by Asin Tabari at a press conference arranged by the Human Rights League in Milan reveals that Iranian Islamic courts have, after a secret trial of members of the Iranian communist Tudeh party, passed a death sentence on two members of the Central Committee of the Tudeh Party, one of whom is the poet, philosopher, and novelist Ehsan Tabari, one of the authorities on contemporary Iranian culture.

Tabari's arrest had occurred in 1983 (when he was 60 years old), and he was thrown into the ill-reputed Evin Prison. In spite of Tabari's advanced age and his militant past, since he had previously been arrested during the Shah's reign and had been sentenced to death twice, the Iranian authorities intended to coerce him, through mental and bodily torture, to publicly renounce his convictions on television before the courts finally passed their sentences on him.

However, this decision caused a reaction even within the Iranian Government because of the man's status and reputation in Iran and abroad, thus causing the decision to be made to refer to Imam Khomeyni for question.

/8918
CSO: 4604/26

IRAN

BOMBING, TERRORIST NETWORKS BROKEN-UP

Tehran KEYHAN in Persian 10 Dec 85 p 19

[Interview with Director General of the Office of Information of Western Azarbaijan and Kurdistan 'Ebad; interviewer, date and place not specified]

[Text] Urmia, KEYHAN correspondent. Two terrorist teams which were on their way to Tehran to carry out large bombings were captured along with members of the spy and terrorist networks in six cities of Kurdistan and Western Azarbaijan.

The director general of the office of information of Western Azarbaijan and Kurdistan revealed in a press and radio and television interview the events concerning the capture of the spy and terrorist gangs in the Kuridish areas, the present situation of the counterrevolutionary minigroups, and the discovery of bureaucratic corruption in two cities of Western Azarbaijan.

According to our correspondent from Urmia, the director general of information of Western Azarbaijan and Kurdistan announced in the press, radio and television interview which took place in Urmia:

During the past two weeks, with the efforts and the round-the-clock perseverance of the anonymous soldiers, two terrorist teams that were on their way to Tehran to carry out terrorist acts were uncovered and their members were arrested. These groups, which are affiliated with the counterrevolutionary minigroups in the western part of the country, have engaged in terrorist acts in the country with the financial support of the regime of Iraq and so far another large group of terrorists who have been active in the country have been identified. The director general of information of Western Azarbaijan and Kurdistan also announced: In the past few months, the terrorist organizations of the counterrevolutionaries in the area of Sa'indezh have suffered deadly blows and certain amounts of arms have also been discovered. In Bukan, 25 terrorists were captured, several organizational nuclei of the outlawed Democratic Party in Piranshahr, Saqqez and Miandoab have been dispersed and the terrorist elements in Sanandaj have also been arrested.

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He pointed out: During the same period, the anonymous soldiers of the Imam of the Age have succeeded in arresting a number of the spies of the Ba'thist regime of Iraq who were fed by that regime.

Also, two cases of bureaucratic corruption that would have resulted in political problems in Piranshahr and Miandoab were uncovered and the necessary steps were taken.

The Political Deadlock of the Minigroups

In another part of this interview, 'Ebad, the director general of information of Western Azarbaijan and Kurdistan, referred to the compete domination of the Islamic forces over the actions of terrorist elements and the activities of the counterrevolutionary minigroups and said:

The increasing number of the repenters indicates the miserable situation of the counterrevolutionary minigroups. The people of the Kurdish areas no longer believe the slogan that the Islamic Republic is unstable and for this reason the number of repenters increases day by day. He considered the submission to the Islamic forces and the organizational officials in Bukan and Saqqez of 10 old members of the outlawed Kumeleh Party and the commanders and the organizational deputy chief of the Democratic Party in the western areas of the country receiving amnesty from the Islamic Republic to be due to the counterrevolutionary groups reaching a deadlock. In the same connection, he added:

The leaders of the Democratic minigroups facing this political deadlock have become refugees and every day become affiliated with another minigroup. Receiving bribes has reached its height in the outlawed Democratic Party and, in addition, the leaders of the Kumeleh unabashedly confess from a foreign radio that they receive all of their arms from Iraq and have submitted to being their functionaries. The director general of information of Kurdistan and Western Azarbaijan, referring to the vast propaganda of the minigroups among the people and stating that the Islamic Republic will kill the repenters of the minigroups, added:

The outlawed parties which have lost their popular base of support want to prevent the trend of increasing numbers of repenters. The seminar of the repenters of the minigroups of Western Azarbaijan which was held with more than 2,000 repenters in Urmia is of special importance and is considered a response to these baseless rumors. In this connection, he also announced that so far 8,300 members of the counterrevolutionary minigroups have returned to Islam.

The director general of information of Western Azarbaijan and Kurdistan considered the essential reaction of the Islamic Republic to the cultural, economic and social issues of Kurdistan to be a cause of the neutralization of the vast activities of the counterrevolutionary activities which had taken advantage of the ethnic, cultural and economic problems of the country as a propaganda tool.

He added: The Islamic Republic is also very clear in regards to the religious laws of the religious sects. The government, with the help of the representative of the imam in the region, by establishing large Islamic centers in the western part of the country has made efforts to revive the Sunni clerics. The publication of books and group journals is also permitted in this region.

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CSO: 4640/180

IRAN

BAZARGAN DISCUSSES DOMESTIC CONDITIONS AT INTERVIEW

London KEYHAN in Persian 20 Feb 86 p 2

[London KEYHAN weekly in Persian; founder and publisher Dr Mesbahzadeh]

[Text] Two correspondents from the French press agency GAMA interviewed Mehdi Bazargan.

The correspondents from the GAMA agency write: The former prime minister lives in domestic exile, a "lawful" opponent who is tolerated, with difficulty, by the regime.

Mehdi Bazargan was not given permission to participate in the presidential elections, but he continues to condemn oppression, human rights violations, corruption, unemployment, and the other chronic ills of revolutionary Iran. The National Liberation Front of Iran, founded in the time of the shah, still pursues the same goals.

[Question] Mister Bazargan, you very seldom speak out. Why?

[Answer] The reason is that our party and our activities are virtually prohibited. We are in opposition and struggle, or perhaps it would be better if I say that the government is struggling with us. Clearly, within Iran my contact with the people has not been cut off, but of course it is much reduced. There is no way for us to make contact outside Iran without prior preparations, and we avoid contacting foreigners or foreign governments.

[Question] Even the media?

[Answer] Yes. In view of the sensitivity of our position, we try to operate on an authorized course and not to engage in prohibited activity.

[Question] You wrote a book about brainwashing in the Middle Ages. Were you writing about the current situation in Iran?

[Answer] My book was about brainwashing in medieval Europe. I was not writing about the current situation in Iran.

[Question] Is there religious persecution in the Islamic republic?

[Answer] Not in the same sense it existed in the Middle Ages.

[Question] What kind of opposition can exist in Iran?

[Answer] In reality, in view of their domination, the lack of freedom of the press, freedom of assembly, and freedom for social activities, no form of opposition can be active. If you notice that our party (the National Liberation Front) still exists, we are really idle. The government tolerates us contrary to its wishes, and because of the role we had in the past, our current popularity among the people, and perhaps because of the fact that we are sincerely loyal to the regime. Our role in the triumph of the revolution was important and definitive. In reality, from an Islamic or legal standpoint they have no quarrel with us. This is why they tolerate us, while completely restricting our freedom. Our only freedom is our press office, the same office that was attacked three times. Our friends and guests were beaten at meetings in plain view of the regime.

[Question] Does the regime exploit the war?

[Answer] First of all, it was Iraq that attacked us. As the official propaganda says, the war is imposed. The people were able to defeat the enemy with historic bravery. They drove the enemy off Iranian soil, and reclaimed Khorramshahr, which was leveled to the ground. The situation changed completely after this victory, however, and we are strongly in favor of ending the war, with honorable and just conditions for Iran, of course. The continuation of the war will only lead to the destruction and waste of the wealth of Iraq and Iran, along with great profits for the great powers and Israel. However, a victory in the war will not produce what the people and those who made the revolution expect from the regime. We want peace, but we also want the Iraqi government, which is responsible for the attack, to pay damages for the destruction and losses.

[Question] It is said that it is possible you will take part in peace talks. Will you agree to this?

[Answer] So far no one, neither the government, international groups, Iraq, nor foreign countries has proposed such a thing to me. If I were to receive such a proposal, the answer would depend on the conditions.

[Question] Do you oppose the combining of church and state?

[Answer] This is a broad and sensitive issue. If this means merging the clergy and politics, my party and myself have always opposed it. Our view is that our ideology must be taken from Islam. The laws, the economy, and our country's society must take inspiration from the lofty goals of Islam. What we do not accept is the government's interference in matters of faith or personal conscience. We oppose the imposition of faith. The Koran says that we cannot compel the people to fulfill their responsibilities to God. ("There is no compulsion in religion" [quoting the Koran]). A second point we must not forget is that national and government affairs must be delegated to the people. The nation is the basis of democracy, and the foundation of the government.

[Question] Do you favor Iranian nationalism?

[Answer] That depends on what you mean by nationalism. We consider ourselves nationalistic. The National Front was nationalistic, but to guarantee nationalism, the country's various classes must be united to defend freedom and independence and to move the country in the direction of peace. Therefore, nationalism has nothing to do with selfishness or worship of nationhood. Islam and Mohammad accept nationalism. The Prophet said that love of country is a part of faith.

[Question] Does this conform to Islamic nationalism?

[Answer] The idea of a unified nation is not something that can be imposed. A country such as Iran has no right to impose its domination on other countries. It is the Islamic countries themselves who must be united with their hands joined, in order to continue their policies in a single direction.

[Question] Are all of Iran's religious leaders in agreement with the Islamic revolution? Is there a religious protest against Ayatollah Khomeyni?

[Answer] This is a difficult question, because "Islamic revolution" means something different to everyone. The Iranian clergy has never had a single point of view. Clearly, all of the clergy are not in agreement with everything.

[Question] Is the protesting clergy opposed to religious intervention in politics?

[Answer] That depends on what you mean by "intervention." All the clergy want our laws and policies to conform to Islam. No clergyman believes in the separation of the clergy from the state, but there are differences concerning how to implement clerical involvement.

[Question] Your party is called the National Liberation Front of Iran. What do you mean today by the word "Liberation"?

[Answer] Our party was founded 24 years ago under the former regime. At that time "liberation" meant freedom of thought and life, all the things the Koran wants to give to mankind, but today the freedom mentioned in the Koran and in our Constitution does not exist. Freedom is a basic point in all of our protests.

[Question] Why did you accept the job of prime minister seven years ago?

[Answer] Because no one else was prepared to take the job. It was a duty of conscience, and a duty to my friends and beliefs. In view of the situation at that time, my conscience compelled me to accept it.

9310
CSO: 4640/208

COMMENTARY VIEWS SILENCE AS SHORT-SIGHTEDNESS

Paris LETTRE PERSANE in French Nov 85 pp 3, 8

[Paris LETTRE PERSANE monthly published by Bakhtiar supporters]

[Article by Rokni: "A Truly Sinister Silence"]

[Text] Iran today is a country that resembles those lost islands where the forces of evil work their will without let or hindrance, those islands that one falls upon in ancient legend. A country that knows neither happiness nor peace, neither freedom nor joy of living, and which, for some strange reason, looks beyond its borders and, inexplicably, finds itself confronting a blank wall of indifference.

Still more curious is the behavior of the international and humanitarian organizations toward the current regime in this country. One could well believe that those organizations have given carte blanche to a handful of criminals set on destroying Iran. These organizations, which weep for the lot of all suffering peoples on all five continents and who, according to the current political fashion, denounce a lot of governments for having inflicted pain on a few people, and sometimes on only one person, have chosen to keep silent rather than say anything at all about one of the most horrifying regimes in the world since WW II. A regime that terrorizes the whole world by exporting and supporting professional terrorism, one that shores up its stability with rifle-fire, one that imprisons pregnant women and children suspected of engaging in political activities, one that slams the gates of its universities in the face of the young, and one that goes on waging one of the most murderous wars in the history of the world, at the price of the extermination of the country's future generation, while indiscriminately slaughtering army officers who refuse to wage such a war under the most abominable of conditions.

People are wondering these days why these organizations, founded upon the loftiest humanitarian principles, these organizations which were once the refuge of hope, no longer care to succor a people struggling to survive to its last gasp. Is the pretext of dogmatism and religious fanaticism sufficient these days to consign forever to oblivion a people that has sought at every turn to make its cries of suffering heard in the world?

The truth of the matter is that the Iranian today is staring at a gigantic question mark. He is beginning to doubt the good faith of all these international institutions that hew to the letter of the fiats handed down by great-power policy-makers, the same great powers that seem to be exploiting the nightmare situation of Iran to the hilt, and to be gloating over the Iran-Iraq war. There is no need to underscore the fact that the ever-deteriorating oil market, squabbling inside OPEC, and arms sales to these countries in a state of war, were only the most visible benefits stemming from the current situation in Iran, to the benefit of the Western economy. However, this cannot go on much longer, because the people's patience has its limits, and to prove it one need only take a serious look at the revolutionary behavior of all suffering people all over the world.

The Iranian people's despair, which stems from the "free world's" indifference, may have very grave consequences both for Iran and for the Western powers, as well as for all the Persian Gulf countries whose independence is intimately bound up with Iran's geopolitics. If, in fact, the West does not stop blindly concentrating on its immediate economic interests, forgetting the massacres perpetrated by the Islamic Republic, and venturing so far as to deal with this regine and lend it economic support, Iranians will be easy prey to the Marxist propaganda so assiduously spread for years by the Tudeh Party. Once wearied of all this indifference to their just cause, they will turn, willy-nilly, to this final solution open to them.

How, then, can people talk and shed tears every day over the fate of those who suffer in the silence of the gulags, or who are fighting in Afghanistan, in Chile, in Latin America, and in South Africal, while forgetting a country in which the most dangerous and most fearsome men in the world are in power, men who unscrupulously practice terror and terrorism, deal in drugs all over the world, and wax fat on a disastrous and macabre war? At present, the Islamic Republic is starting an attack on property rights -- and let's not forget that this right to own property has long saved the Iranians from falling into the net of their powerful, patient neighbor, that dreams of extending its domain all the way to the shores of the Persian Gulf and beyond.

Nor do we forget the common sense and the few fairly pale efforts, we must admit, put forth by some members of these international organizations, but we say rather that these effects stemmed obviously from the initiatives taken by a few prestigious individuals worldwide, who understood the danger of a fanatical and proselytizing Islamic government whose supreme leader is an Ayatolla Khomeyni, the Eastern reincarnation of one Hitler, no matter that Iran's economic situation seems to be highly appetizing to the western countries.

Suffice it to recall for a moment the many countries that have derived enormous, albeit ephemeral profits for the west.

At this late date, there can be no more twisting reality. It is too flagrant. And if the West has any hopes of reaching some future political and economic ties with Iran, it must reckon with the Iranian people's struggle against this unimaginably blood-thirsty regime.

And if there is still one scrap of sincerity alive in these humanitarian organizations, they must mount a serious offensive against the inhuman actions of this regime, which has no respect for the individual and no regard for humanitarian principles.

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CSO: 4619/23

IRAN

IMPORT-EXPORT, OTHER BILLS SUBMITTED TO MAJLIS

Tehran KEYHAN in Persian 18 Dec 85 p. 22

[Text] KEYHAN Political Service—Yesterday's public Majlis session was opened by Speaker Hojjat ol-Eslam Hashemi Rafsanjani, and after a recess the session continued chaired by Hojjat ol-Eslam Yazdi. Four member bills and laws were presented to the legislative power. The member bills included a bill on adherence to landlord-tenant contracts, and the laws included a law on import-export regulations.

During the sessions a police regulation bill for faculty at the country's universities and institutions of higher learning and research was discussed and studied. By the end of the public session six of its articles were approved.

Printed below are the minutes of yesterday's Majlis session.

Majlis Minutes

After preliminary remarks and the reading of comments from deputies, the Majlis began its agenda. The first draft of the bill to amend Article Three of the Supreme Industrial Council Law, enacted 11/9/1361 [29 Jan 1983] by the Majlis, was presented and discussed.

An expert from the Mines and Industry Commission gave explanations concerning this bill and said: This bill was discussed at a meeting of government representatives on 7/16/64 [8 Oct 1985] and was approved in its entirety. The report of that is now presented to the Majlis.

Article One—From the date of enactment of this bill, the Minister of the Revolutionary Guards will be a member of the Supreme Industrial Council.

He said: Article Two of the law says that the formation of procedures and overall policy in the mines and industry sector and the determination and presentation of priorities will be subject to approval by the Majlis under Principle 74 of the Constitution.

In view of the fact that the Ministry of Defense is present in this group, it appears that if the Minister of the Revolutionary Guards is also present, where the matter of the war is a subject of discussion, it will be able to meet the country's war needs. Since there was no opposition to this bill, it was put to a vote in its entirety and approved.

Bill to Cancel Note 35 Article 11 of Health Ministry Formation Law

Then the first draft was presented for the Bill to Cancel Note 35 Article 11 of Health Ministry Formation Law, enacted in 1355 [21 Mar 1976 – 20 Mar 1977].

Dr Shibani, an expert from the Medical Health Care and Treatment Commission, gave explanations concerning this bill and said: This bill was discussed and studied at a meeting of concerned officials on 7/14/64 [6 Oct 1985], and was approved with amendments. A report of it is now presented to the Majlis.

Article One—As of 1 Azar 1360 [22 Nov 1981] Note Three of Article 11 of the Health Ministry Formation Law enacted in 1355 [21 Mar 1976 – 20 Mar 1977] is removed and insurance payments for all workers who were insured under the former Employee Protection Law will now be paid to the Social Security Organization on the basis of the regulations of the Employee Protection Law, and, in compensation for old age, disability, and death, they will be covered in every respect (insurance payments will be deducted from wages and salaries and used under the Social Security Law) under the regulations of the Social Security Law. At the same time, the payment of insurance payments to the Social Security Organization by regional health organizations in the provinces in the period from 1 Farvardin to the end of Azar 1360 [21 Mar – 21 Dec 1981] is the same amount obtained under past or amended laws.

Mostafa Naseri spoke in opposition. He said: My opposition to this bill is that this bill represents extra cost to the government. Grouping all the people who were formerly covered under another law, then came and conformed to another law, and then going back to the original position represents a financial burden. This is not advisable and I am opposed to it.

As a supporter, Seyyed Reza Akrami said: If Mr Naseri had been precise, Article One was used experimentally for three years; this is not a preliminary thing. This law is now being implemented, but it was experimental for three years. They are now asking for its continuation, and as such it will not create a separate cost for the government or anything else.

An expert from the commission then gave explanations. He said: The point is that this was a law as of 1 Azar [21 Dec 1981] and as of 1 Farvardin [21 March] they want to allow the Social Security Organization to collect insurance payments that where paid formerly under the Employee Protection Law and implement social security regulations.

The government representative Dr Jazayery gave explanations and said: This law was implemented experimentally for three years, and they want to make it permanent now and have accordingly presented it to the Majlis. It carries no financial burden for the government. There has been oppression imposed on 75,300 people and now we do not want that oppression to be repeated.

University Faculty Police Regulations Bill

The next item on the session's agenda was the second draft of the Police Regulations Bill for faculty in the country's universities and institutions of higher learning and research, which was presented.

An expert from the commission on higher education and culture gave explanations concerning this bill. He said: This bill was studied in numerous sessions and approved with amendments. A report on the bill in its second draft is now presented to the Majlis.

This bill, whose first draft was approved, deals with violations or in some cases police matters pertaining to university faculty. Some dear people have had and continue to have complaints in this matter many times. Unfortunately, to date we have had no law with which to take steps in this matter.

Articles One and Two of the bill were then read and presented.

Eshaq Jahangiri then proposed an amendment to Article Two to the effect that university faculty be chosen for two years on the recommendation of the university, institution, or independent university president, subject to approval by the Minister of Higher Education and Culture.

Mehdi Mehdizadeh and Hasan Sadeqlu spoke against and for this proposal. The commission expert and the government representative gave explanations. A vote was taken on this proposal and it was rejected.

Articles One and Two were then read, put to a vote, and enacted in the following form:

Police Regulations Bill for Faculty at the Country's Universities and Institutions of Higher Learning and Research

Part One—Police Inspection Panels

Article One—The inspection panel consists of:

1—The primary panel
2—The appeal panel

Article Two—The primary panel will be formed in every university, institution of higher learning or research, or independent college. It will have three main members and at least two rotating members selected from faculty members in the country's universities, and, if possible, from the same university, institution of higher learning or research, or independent college and installed for two years by the president of that university, institution of higher learning or research, or independent college.

Note One—One person on the main panel must be chosen from the schools of Islamic sciences, with at least a master's degree or the equivalent.

Note Two—There is no obstacle to the reappointment of these persons.

Article Three was then read and presented. Eshaq Jahangiri then proposed amending Article Three with regard to the revision panel.

Musavi Tabrizi and Latif Safari spoke against and for this proposal.

The commission and the government representative gave explanations, and a vote was taken on the proposal, which was rejected.

Articles Three, Four, and Five were then read and put to a vote, and approved in the following form:

Article Three—In each university, group of universities, or institution of higher learning and research, an appeals panel will be chosen jointly, at the discretion of the Ministry of Culture and Higher Education. This panel will have three main members and a maximum of two rotating members, adhering to Note 15 of Article Two, under which faculty members of these institutions are appointed and approved for a period of two years.

Note—In the universities and institutions of higher learning and research which are affiliated with other ministries and government institutions, an appeals panel will be appointed by the appropriate ministry or the highest official of the government organization.

Article Four—The primary panel has the authority to investigate police violations by faculty members. The views of this panel are published for opposition views, and may be revised. If a decision is issued against a violator and is subject to appeal, and if no request for an appeal is made by the violator within one month for persons within the country and within two months for persons outside the country, it will become final and will be implemented on orders from the highest executive official of the university or institution. Whenever a faculty member asks for an appeal within the stipulated period after the opinion is issued, the appeals panel must review the opinion.

Note—The opinion will be issued in accordance with the Civil Justice Law.

Article Five—In addition to being committed to the true religion of Islam, acting on its commandments, belief and commitment to the Islamic Republic of Iran and the principle of vice-regency of the chief theologian, members of the primary and appeals panels must have the following qualifications:

1—Citizenship
2—A minimum of three years' faculty service.

The public Majlis session recessed at 10:25 after the announcement of the arrival of four member bills and laws, as follows:

1—A bill for calculating the service of officers.

2—A bill on import-export regulations.

3—A member bill to amend the law pertaining to the administration of non-government schools as government schools approved by the Islamic revolutionary council on 12/2/1358 [22 Jan 1979].

4—A member bill requiring observance of landlord-tenant contracts.

The public Majlis session reconvened at 11:10, chaired by Hojjat ol-Eslam Mohammad Yazdi, assistant to the Speaker of the Majlis, and continued discussion of the details of the Police Regulations Bill for Faculty at the Country's Universities and Institutions of Higher Learning and Research. Article Six of the bill was presented.

Dr Shibani proposed elimination of the term 'plaintiff for violation' from Paragraph J of this article. 'Abd-e Khoda'i and Rahimi spoke for and against the proposal. The commission and the government representative gave explanations and the proposal was put to a vote and rejected.

Then Article Six was read and put to a vote and approved as follows:

Article Six—None of the primary or rotating members of the primary or appeals panels may participate in the issuance of an opinion under the following conditions:

a) If the panel member has a twice-removed or closer relationship by blood or marriage with the accused .

b) If the panel member is involved in penal or civil proceedings against the accused or has an interest in such proceedings.

j) If the panel member is a plaintiff against the violation or the violator.

Then Article Seven was read and presented. For this article, Rahimi proposed the elimination of the word 'police'.

Hasan Sadeqlu and Assadollah Bayat spoke against and for the proposal, and the commission and the government gave explanations. The elimination of the word 'police' was put to a vote and rejected.

After that the replacement of the word 'police' with the word 'regulatory' was discussed. Movahhedi Savoji and Musavi Tabrizi spoke against and for the proposal and the commission expert explained his opposition to this change.

Then the substitution of the word 'regulatory' was put to a vote and rejected.

Then Eshaq Jahangiri proposed the elimination of Paragraph Three of the article, which has to do with carelessness or self-interest in the performance of responsibilities.

Movahhedi Savoji and Musavi Tabrizi spoke against and for this proposal and explained their views. The pertinent commission and the government representative gave explanations concerning this proposal. The proposal to eliminate Paragraph Three was then put to a vote and rejected.

Then Movahhedi Savoji proposed the elimination of Paragraph Four of Article Seven, which has to do with the refusal to implement the lawful orders of university officials.

Speaking against and for this proposal were 'Abd-e Khoda'i and Kabiri, who gave their views.

The proposal for the elimination of Paragraph Four was put to a vote after explanations from the commission expert and the government representative and rejected.

Movahhedi Savoji then proposed the elimination of the sentence 'commission of acts in conflict with general morality'. He said: This is something that can be interpreted in various ways. One interpretation not mentioned is the question of what is an act against general morality which damages occupational dignity and prestige. If the intent is violations of religious law, this is in Paragraph 12. Therefore, I propose that this sentence be removed from Paragraph 11 and only the word 'addiction' be left.

Shini Mostafa and Qanbar Kabiri spoke against and for this proposal, and the commission expert and the government representative gave explanations. This proposal to remove a sentence was then put to a vote and rejected.

Continuation of discussion concerning this bill was postponed to the next session. The public session of the Majlis ended at 12:10 p.m. and the next day's session was set for 7:30 a.m.

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CSO: 4640/185

BANDAR 'ABBAS WATER PROJECT INAUGURATED BY PRIME MINISTER

Tehran KEYHAN in Persian 21 Dec 85 p. 22

[Text] Bandar 'Abbas—KEYHAN Correspondent—The biggest water project of Hormozegan Province was inaugurated in the presence of the prime minister, the minister of power, and a number of national and military officials.

Prime Minister Mir Hoseyn Musavi, the minister of power, the acting director of the Voice of the Islamic Republic of Iran and a number of provincial executive officials went to Bandar 'Abbas Thursday afternoon to officially inaugurate the great Minab Water Project of Bandar 'Abbas and its associated facilities. Our correspondent reports that the prime minister and his entourage were welcomed when they arrived at this city's airport by the governor-general of Hormozegan, the Majlis representatives for the people of Bandar 'Abbas, police and military commanders, a group of clergymen, general managers, and executive officials from organizations located in the province.

According to this report, after his arrival the prime minister reviewed the troops, and then went with his entourage to the Bandar 'Abbas refinery to inaugurate the Minab Water Project.

The Bandar 'Abbas Minab Water Project includes the Minab physical refinery, the water pipeline of approximately 100 kilometers, and the Bandar 'Abbas chemical refinery, which is responsible for procuring drinking water for more than 450,000 people of Bandar 'Abbas and nearby villages, as well as the water needed by industry.

The Bandar 'Abbas refinery, which is one of the facilities affiliated with this refinery, was built on a 40-hectare site at a cost of two billion rials. With its six 250-liter-per-second pumps, the refinery can deliver more than 86,400 cubic liters of water in a 24-hour period to the 30,000 cubic meter Bandar 'Abbas reservoir and the municipal water network through a 1,250-millimeter pipeline.

After inspecting the various sections of the Bandar 'Abbas refinery, the prime minister took part in ceremonies which had been planned to officially inaugurate the water project.

During these ceremonies he gave a talk to a gathering of the nation's acting water directors and officials from the Province of Hormozegan. He expressed thanks for the service and effort of the project's workers and executive specialists, and discussed the great economic aspects of these tasks, which also have extensive cultural effects. He said that the Jiroft Dam Project and the Bandar 'Abbas Water Project are indications of the Islamic republic's progress in implementing great and successful projects.

He then discussed the role of water projects and the system behind them, and noted the necessity of extensive specialist, national, and knowledgeable management and administration.

He added: These projects, as is evident, need the boldness and courage found only in the spiritual shadow of a revolution. This best indication of that is today's ceremony, which has been organized by the able hands of the Ministry of Power.

The Prime Minister of our country dealt creatively with the matter of the great water reserves in Iran, and expressed the hope that through the extensive efforts of the people and the officials in the exercise of proper management it will be possible to move the country towards reconstruction, self-sufficiency and non-dependence on the major powers and for the achievement of political, economic, social, and, highest of all, spiritual welfare and prosperity.

He added: If, in today's atmosphere, the Islamic republic can sufficiently meet the needs of the millions of oppressed masses, then spiritual prosperity will definitely be greater, and one of the ways to do this is to procure water in the country.

In the same regard, the Prime Minister added: The honorable Majlis representatives have stressed the importance of this vital matter numerous times, and I hope that they will help the government and align themselves with it, so that this executive capability, which through the grace of the revolution has reached the level of society, can be used to advance the country.

KEYHAN's Bandar 'Abbas correspondent reports that the Minab physical refinery was also inaugurated and put into operation in the presence of Dr Banki, Minister of Power.

The Minab physical refinery, which is one of the facilities associated with the great Minab-Bandar 'Abbas Water Project was built on a 345,000 cubic-meter site adjacent to the Minab Independence Dam. It produces water though its 1,250 millimeter pipeline after it travels 100 kilometers to the Bandar 'Abbas chemical refinery. It can produce 89,200 cubic meters of water in a 24-hour period with its tank and pressurization units, after chlorinization, injections of lime and aluminum sulfate, automatic pressurized purification, and then physical refining.

The construction of this refinery cost more than 200 million rials.

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BENAZIR BHUTTO TO RETURN TO PAKISTAN TO 'TEST' DEMOCRACY

Lahore NAWA-I-WAQT in Urdu 23 Jan 86 pp 1, 7

[Report on interview with Benazir Bhutto in London: "My Father Became Victim of Factional Groups Within Party;" date not given]

[Text] Anisa Benazir Bhutto, the leader of the Pakistan People's Party [PPP] has rejected the MRD [Movement for Restoration of Democracy] proposal for electoral alliance saying that the PPP has its own program. She said that she can cooperate with any party under this program, but that the formation of a joint electoral front as a result of a merger of parties is not appropriate under the present conditions. During a special interview with NAWA-I-WAQT in London, she said that this was her first interview with any Urdu paper since the end of martial law in Pakistan. She said that if she were given permission to hold a big political rally in Pakistan she would conclude that democracy has really been restored in the country. Benazir Bhutto, stating that she would be returning to Pakistan in March, said that the politicians living abroad who have been sentenced should return to the country to test the government's announcement.

Speaking about disruption within the People's Party she said that advice is being sought from provincial leaders about the provincial organizations but the final decision is given by the central leadership. She expressed the hope that the issue of the Sind People's Party would be resolved amicably and that Ghulam Mustafa Jatoi would not create any problem for her. She added that her father Zulfiqar Ali Bhutto, after coming to power, did not give full attention to organizing the party and that factions which formed within the party became the cause of his death. She also said that the registration of the party will be decided by the Central Committee of the party. When asked what her party's policy would be now that martial law has been lifted and a civil government restored in the country, she replied that, though General Ziaul Haq says that martial law has been lifted, the government framework is being prepared under martial law and the officials nominated for parliament and the judiciary are the same as during the martial law period. She said that General Zia himself said that the former policies will continue to be in force and that, under these circumstances, she does not think that democracy has been restored in the country, but since it is being said that democracy has been restored, it will be tested. "If the government allows us to address big rallies then we will think that there is democracy in the country, otherwise, I will rest the

claims that democracy has been restored," she said. When asked whether she would register her party in accordance with rules of the political party act she said that the new act is strange because it says that political parties will have to accept the government's political formula. She said that it now seems that this act has been formed to exclude the PPP and that she believes that General Zia's plans should be defeated. She said that the central executive committee of the party will be meeting next week and that she would agree with whatever decision is made about registration of political parties. When asked about her personal opinions, she said that within a party there is no such thing as a personal opinion, all opinions are political. She added that many people bring up issues in their personal capacity, but the leader of the party should have only consideration. "In the past we opposed registration and we will decide after taking into account the latest details that have been made known," she said. When asked about her opinion on an election alliance with the MRD, she said that talking about election alliances is not in the interest of the MRD. She added that such an alliance was formed previously but the People's Party, being a big party, has its own programs and organization and that every party should have the right to decide the issue of its own free will. She said "We are happy with the basic MRD charter. But if some friends in the MRD want an alliance, we would like to know who will be the leader of such an alliance and whether party leader Begum Bhutto or Benazir Bhutto will be the leader of the election alliance." She said that it was not appropriate to talk about alliance at this time, but when the time comes there will certainly be discussions on the election issue with the people wishing to support restoration of democracy. When asked what her views were about Ghaus Bakhsh Bizenjo's proposal that the Pakistan People's Party and the PNP [Pakistan National Party] unite, she said that she does not have detailed information about this proposal but, after receiving work about his proposal, she had sent him a message of thanks. Both parties have identical views and in the past Mr Bhutto tried and Mr Bizenjo played a positive role, she said, adding that if two parties work together in the future good results can be obtained. But she said that she had no knowledge about the merger of parties. When asked whether she considers the government to be strong in view of the prevailing political conditions in Pakistan, she replied that the government had become very weak. She said, "It was under international pressure as well as pressure from people inside the country. If this had not been the case Zia would not have ended military courts nor lifted martial law. General Zia is still the chief of staff. He had said that his electoral circle was the army and that he did not care about the people. He could not trust even one man out of an army of 750,000 men and appoint him as chief of staff. This is an indication of his weakness. After his appointment as president and the formation of the assemblies, why does he still retain the post of the chief of staff? It seems that he does not even trust the generals who are so close to him. He depends on the army to remain in power and that is the reason why he is still clinging to the army. Governments come and go, rulers should be prepared for changes. But General Zia is not ready for these changes." In reply to a question about differences within the party ranks and formation of factional groups, she said that when Mr Bhutto formed the party there no such groups in the party. Later when he became the prime minister he became more involved in the affairs of the state, she said, and it was during this time that different groups were formed within the party. "A time came

when the prime minister suffered more damage from members of the party than from people opposed to the party. When Begum Bhutto and I took control there were a number of different groups in the party. During the period of 7.5 years, the formation of such groups created obstacles to progress. Begum Bhutto and I believe that these groups were the cause of Mr Bhutto's death and that, despite the cooperation of the people and sincere workers, the party could not make any progress. We would like to see the party as one team. Those people who are not prepared for this should learn a lesson from the past. After being involved in practical politics I have begun to respect Quaid-e Azam still more. I believe in Quaid-e Azam's motto "Unity, Faith and Discipline" for implementing the four principles of the Pakistan People's Party. Begum Bhutto and I bear the responsibility for the people of Pakistan and the leaders intersted in saving Pakistan will cooperate with me," said Miss Bhutto. In reply to a question concerning the organization of the Sind People's Party, she said that Mustafa Jatoi, who has been involved with the party for some time, understands her very well, and will not create any problem for her and neither will she create any problems for him. "Excepting Sind, every province forwards nominations for the president. I decide on these nominations after consulting other leaders and workers. This practice will continue until elections and the decisions of the leadership will have to be followed," she said.

In reply to another question, Miss Benazir said that we all love our party and we will have to decide which way we are heading and which way we should really be going. "I know what I am doing and which way I should be going and what my responsibilities are. The people who have given sacrifices for the party should be happy that we are marching forward with courage and determination," she said. Dwelling on her visit to Pakistan, she said that she will be going to Pakistan in the near future. She said that after the mysterious death of Shahnawaz they were passing through a difficult period. She said, "The police are investigating his dealth, legal proceedings have not started and it is now being said that the hearing will start in March. But still there is no news. We believe that this conspiracy was aimed not just at killing Shahnawaz but at dealing a deadly blow to the sentiments of our whole family, to destroy our strength and tranquility and force us to deviate from our political struggle. We are determined not to allow it to weaken our political resolve. Irrespective of whether the investigations in the death of Shahnawaz are completed, I shall be returning to Pakistan very soon."

When asked whether she would be arrested on her return to Pakistan, Benazir replied that it is being said that democracy has been restored in Pakistan and, as such, why should anyone want to arrest her. "In a democratic country everyone is allowed to take part in politics. I have not been allowed to communicate with the people for the past 8.5 years. I have not been to Lahore and Peshawar since 1980 and have not seen Buluchistan since 1979. I am a child of Pakistan. If democracy has been restored then I have the right to visit each and every part of the country, communicate with the people, hear their problems and given them advice. If I am arrested then that will prove that there is no democracy," she said.

In reply to a question as to whether she would allow the party to start a movement under such circumstances, she said that the last time she was arrested she had asked the party not to start any movement till 31 December and, secondly, the party wanted to exchange views with the MRD. She added that if she were to be arrested this time the party would prepare a program of action, but asked why she should be arrested. "Freedom is not for generals and rich landlords only. Those taking an interest in the problems of the people should also enjoy freedom," she said. When asked for her reaction to the statement by certain circles in the party that Benazir would have to prove her ability as a leader, she said that whether or not they accept her as a leader she was the hope of the poor people of Pakistan and that she would work for them and advance Bhutto's mission and no one could block her way. The people are with me, she said, and the final decision will be made by the people. In reply to a question as to what advice she had for the exiles, she said, "Some of them have been awarded punishment and others have not. We have to put the government's claim of democracy to the test and this can be done only on Pakistani soil, not in London. The exiles who have not been awarded punishment should return to Pakistan." Commenting on the "no war declaration" proposal she said that Pakistan does not stand to gain anything from such an agreement, that the elected leaders of Pakistan and India had signed a pact at Simla under which peace was to be established between the two countries. She said that a non-aggression pact is wrong and added, "Pakistan has already lost Siachin Glaciers and we are still talking about non-aggression." When asked whether she would abrogate this treaty if her party comes to power, she said that she had already stated that the non-aggression pact was wrong and that Pakistan had nothing to gain from it. When told that the Sind-Baluch-Pashto front was overtaking her party in Sind and asked what she intended to do in the matter, she said that the alliance was in danger since the time martial law was imposed. "The front thinks that it can take advantage of the situation. We believe that all the provinces in Pakistan should be given autonomy under the central government. We will appoach the people of Sind who have made great sacrifices and they will decide." She said that she was convinced that the people of Sind would support the People's Party and that people will achieve victory.

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WAPDA BLASTED FOR INCOMPETENCE

Lahore NAWA-i-WAQT in Urdu 27 Jan 86 p 3

[Article by Abdul Latif Sethi: "The Torture of Load Shedding"]

[Text] This nation is a victim of bad luck and incompetence, and soon the worst will happen. The administration does not seem to realize how acutely the load shedding of electricity is hurting the people and how badly it is hindering progress at every step. The explanation that the administration offers for this state of affairs does not satisfy the public. The people and the government have totally different ideas on this head, and the WAPDA [Water and Power Development Authority] is responsible for this lack of understanding. Not only are the people being tormented with continuous load shedding, but the attitude of the officers of WAPDA is growing ruder every day. They are not apologetic for the trouble they are causing for everybody. They behave as if the people were their bondmen whom they can treat exactly as they please. The people are tired of their oft-repeated arguments.

For the last 39 years the WAPDA has been ruining the nation like a wasting disease, like a plague. This department has been deceiving us with its big talk. Recently the WAPDA chief has brought a new charge against the public. He says that only the people connected with the foreign embassies have cooperated with the policy of load shedding. People of this country, he says, have only complained. The autocrats of WAPDA should know that the people at the foreign embassies belong to foreign countries. They cannot criticize the administration because of their diplomatic situation. The people of this country know that the cause of load shedding is neither the lack of natural resources, nor the lack of rains, nor even the lack of funds, but only the incompetence of the officials of the WAPDA. These people know nothing about their job. They should tear up their degrees, because they are bogus and all that is written in them is false. During the last 37 [as published] years these people have found out neither the needs of this country nor the methods of how to fulfill them. They have never planned their work properly. Now they are trying to hide their own failure by blaming the public for lack of cooperation. WAPDA, whose achievements have always been nil, does not deserve the cooperation of the public.

Government departments can be successful only if their officials are honest and diligent. They should be practical and make their subordinates work hard. The officials of the WAPDA, who got foreign degrees at government expense, do not work at all. They only give orders to their assistants, and this is what their assistants do:

1) They connect electricity to whom they please and cut off electric connections according to their own whims.

2) They send out very large bills for electricity to the consumers, but after receiving a bribe they bring them down to one anna in a rupee.

3) If the inspector has received a bribe the bill will amount to a few rupees, otherwise it will soar to hundreds, even thousands, of rupees. There is nobody to check the bills.

4) Everything connected with electricity (wires, switches, etc.) is stolen from the WAPDA and sold in the "hot goods" market. With rare exceptions, all WAPDA officials, low and high, are involved in this trade.

5) Foreign investigators were asked to find out the causes of the deficit in WAPDA. They found that electricity was being stolen and advised that in order to make the ends meet either the theft of electricity be stopped or electric rates be increased. This department did nothing to stop the thefts, but decided to increase the rates. They can never eradicate piracy because they want to protect the thieves.

When Bhutto came into power, he told WAPDA that unless it reformed itself he would break it. That is why there was no load shedding during his time and no dearth of water in the rivers. The ice melted on the mountains and the reservoirs were always full of water. But the situation has completely changed now. Last year WAPDA declared that there was no water in the rivers, and the reservoirs were empty because the ice on the mountains had not melted. North Pakistan had, probably, become a part of the Frigid Zone where ice never melted and no hydro-electricity could be made.

When rains came, it was said that not enough rain had fallen. When summer came we hoped that the ice would melt and the reservoir would be filled with water, more electricity would be generated and load shedding would cease, but no luck again. The WAPDA declared that load shedding would continue at the scheduled hours and the public would have to cooperate or face the dire consequences!

When it was asked what had become of the reservoirs full of water, the answer was that the water in the reservoirs was meant for irrigation and could not be used for generating electricity. Then the country was advised to prepare itself for austerity. The population of the country had increased and so had the consumption of power. The government had no money, we were told, and there was no water in the rivers. There was no way

to make electricity with the help of nuclear power. Hence the people were told to prepare themselves for a permanent state of load shedding in the country.

The people do not believe a word of what WAPDA says, because they know this department is run by men who are corrupt and incompetent, a situation which the government has failed to rectify. Here are a few suggestions for improving matters:

1) Since WAPDA has lost the confidence of the people it should be dismantled. The present government is getting a bad name despite trying to serve the country because of WAPDA's bad reputation.

2) The duties of this department should be given to the provincial government or to the private sector, on the condition that for some time to come no Pakistani engineer be employed in this department. The government should provide the Pakistani engineers with passports and make them leave the country. In the place of these worthless people, engineers from Europe, America, Korea, China or Japan should be invited. Initially, only one foreign engineer would be enough to replace 10 Pakistani engineers, because he will work. Later on, if need be, their number can be increased. Bhutto knew that the Pakistani engineers were worthless. That is why he said that if he were to appoint British engineers to take charge of the departments of water, power, railways and road transport, these departments would begin to make a surplus instead of running a deficit. The quality of work, he thought, would improve, and any complaints brought by the public would be rectified quickly. True progress would come about. Mr Bhutto had further said that the word "development" should be chucked out of the name of WAPDA, since this department is only causing deterioration in the country.

2. [as published] A pact should be made with India to let us buy electric power from Jogindergarh. India will probably agree to do so.

3) Saudi Arabia should be asked to sell us electric power generated from oil. That country has plenty of oil and can easily make surplus power to sell us. It would be good for both countries if it included our needs when generating power using oil. The Saudis would make money while helping us.

4) In Europe and America methods have been found to melt the mountain ice in winter with the help of machines. These methods should be learned. We should also learn the methods of storing ice from the mountains in underground cellars and using it for cooling the houses in summer. The methods, we are told, are not expensive.

We should remember that the chief need of the country is honesty and diligence, just as the cause of all problems is corruption and incompetence. As long as these two are not fought out there will be no electric power in the country, and no railways and road transport will work. There will be nothing but famine and deficit on all sides. God helps only those who help themselves. WAPDA is a burden on the country. We should get rid of it. It is the need of the hour. All the Mangla, Terbela and Kalabagh dams in the country will avail us nothing, without honesty and hard work.

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